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ESTABLISHED 1887

A New Isolationism Floods America Poll Finds Deep Pessimism on Global Trends

By Paul F. Horvitz

WASHINGTON — Americans have entered the post-Cold War era with a profound sense of isolationism and pessimism about global trends, according to an in-depth survey of U.S. attitudes on America's role abroad.

randomly selected Americans took part, and the poll has an error margin of 2 percentage points. Those surveyed believe overwhelmingly that the top U.S. foreign policy goal should be protecting American jobs.

would tip the balance in favor of U.S. intervention, reflecting what the survey showed was more inclination to stand up to an "aggressive dictator" than to send troops to restore "law and order" in a foreign land.



FRENCH HOSTAGE IS HOME — Michelle Thévenot, the last of three French hostages to be freed by security forces in Algeria, running Monday toward relatives at a military airport near Paris. She, her husband, Jean-Claude, and a third employee of the French consulate in Algiers, Alain Fresca, were kidnapped by Islamic radicals, who in a communiqué vowed to continue kidnapping foreigners.

North Korea Exiles Help Regime to Build Threat Intelligence Agents Trace the Funds For Atom Arms Complex to Osaka

By David E. Sanger

OSAKA, Japan — When Western and Japanese intelligence agencies trace the money that has allowed the bankrupt North Korean government to build its huge nuclear weapons complex, they usually end up here in the back streets of Osaka, amid the game parlors and thriving street markets of Japan's biggest community of Koreans.

by the prospect of a nuclear North, but they are also worried about causing what one official recently termed "an eruption" — perhaps including riots or terrorism — among the roughly 150,000 Koreans in Japan who are sympathetic to Mr. Kim's government.

Pacific Leaders Are Urged To Push EC in GATT Talks

By Michael Richardson

SINGAPORE — A confidential report to a meeting of Asian-Pacific leaders later this month recommends that the United States, Japan and other countries in the region use their combined economic strength as leverage against Europe to promote global free trade.

The chairman of the group is C. Fred Bergsten, director of the Institute for International Economics in Washington. In recommending this approach, the authors of the report contend that an enhanced effort from APEC countries to liberalize international trade could help produce a successful conclusion to the Uruguay round, which is being blocked mainly by a dispute between the European Community and the United States over farm subsidies.

Clinton About-Face: Warm Up to China

By Daniel Williams and R. Jeffrey Smith

WASHINGTON — The Clinton administration has adopted a new, friendlier policy toward China that includes the first direct, high-level contact in four years with China's military, symbol of the deadly repression of democracy activists at Tiananmen Square in 1989.

candidates to succeed China's virtually incapacitated paramount leader, Deng Xiaoping. Several officials described the new policy as a shift from being "aloof" to "engaged" with the highest echelon of the Chinese leadership.

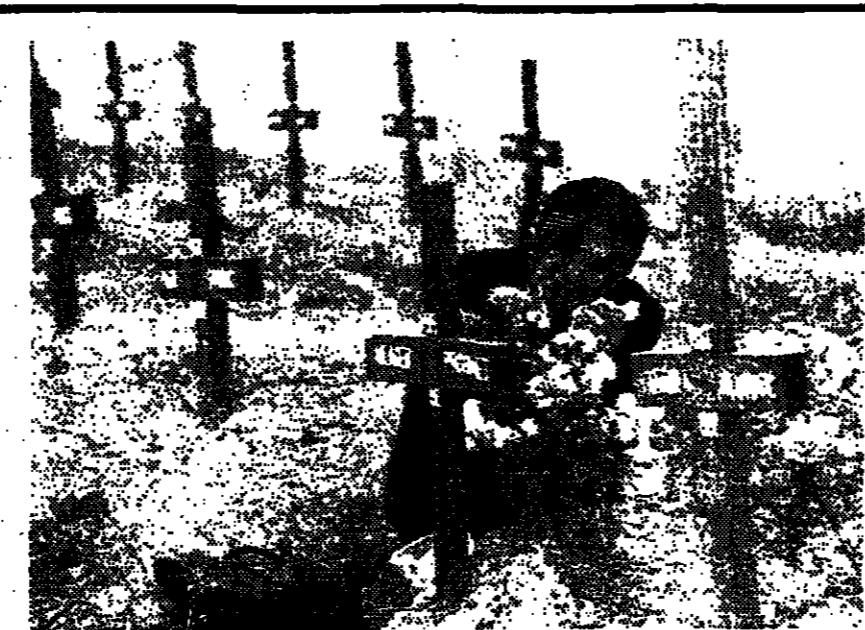
from the American consumer market and a dangerously irresponsible profit from the global arms bazaar.

Warrant for De Benedetti Opens Rift in Italy Inquiry

By Alan Cowell

ROME — The decision by Italian investigators to issue an arrest warrant for Carlo De Benedetti, the fugitive computer tycoon, has opened up an unseemly public rift within the judiciary that could damage the country's widespread and continuing corruption inquiry.

warrant raised questions about "the credibility of the judiciary itself." Mr. De Benedetti, perhaps the most illustrious of the many Italian industrialists caught up in the scandal, decided in May to volunteer information about bribes paid by his Olivetti computer and telecommunications company to secure government contracts.



REMEMBRANCE IN SARAJEVO — A grieving Croatian woman putting flowers on her son's grave on All Saints' Day on Monday at Sarajevo's Catholic cemetery.

Attack on U.S. Athletes Stirs German Soul-Searching

By Rick Atkinson

BERLIN — Politicians and the press found themselves groping for antidotes to rights violence on Monday as prosecutors investigated an attack by skinhead youths against American athletes.

The incident in a bar in Oberhof, about 150 miles (250 kilometers) southwest of Berlin, left one member of the American luge team beaten and his teammates angry and frightened.

but four were released pending further investigation. The Americans left Germany for Austria a day earlier than planned.

Japan Firm Files Biggest Bankruptcy Since War

With Debt of \$5 Billion, Construction Unit Lost On Investments in '80s

By Steven Brull

TOKYO — In a stark reminder of the skeletons stalling Japan's financial system, an unlisted Osaka construction company filed for protection from creditors on Monday with debts in excess of \$5 billion, the largest such sum since World War II.

One other golf course is under construction. But property for six additional courses, mostly in western Japan, remains untouched, and its value is now a fraction of the purchase price.

Doris Duke Leaves Estate to Charities

NEW YORK (Reuters) — Doris Duke, the tobacco heiress who died last week at the age of 80, left an estate of \$1.2 billion and directed that nearly all the money go to charity and none to an adopted daughter, a spokesman said Monday.

Table with 2 columns: Dow Jones, Trib Index. Values: Dow Jones Up 12.02 (3,692.61), Trib Index Up 0.05% (111.00).

Table with 2 columns: The Dollar, General News. Values: The Dollar (New York Mon. close, previous close), General News (Russia's chaotic election race is on, with 21 blocs and parties running so far).

Business/Finance Two indicators of U.S. economic activity posted strong gains. Hong Kong stocks hit record, again.

Book Review Page 6.

Attack on U.S. Athletes Stirs German Soul-Searching

Hans-Jochen Vogel, the former chairman of the Social Democratic Party, said Monday during a conference in Bonn on German democracy.

See ATTACK, Page 8

Many Hats in the Ring in Chaotic Race for Russians' Votes

By Serge Schmemmann
New York Times Service

MOSCOW — A cluster of campaign workers sit under the domes of St. Basil's with hand-lettered signs reading "Russia's Choice," "Movement for Democratic Reform" and "New Russia."

They try to shield their clipboards from the wet snow and patiently explain to a stream of people how to fill out petition forms.

"These are the people I trust to build democracy," said Ivan Mukhanov, a teacher.

Communists and nationalists migrate toward the portico of the Lenin Museum. There, amid steady invective against President Boris N. Yeltsin and "democrats" in general, representatives of the Russian Communist Party and their allies fill their lists.

It is a scene repeated across Russia, as political blocs and parties scramble to gather the 100,000 signatures needed to enter the race for the Dec. 12 elections for a new parliament.

A total of 21 blocs and parties have already registered, and virtually every known politician, and a supporting cast of academics, businessmen and others, have thrown their hats in the ring. The candidates even include a man on trial as a leader of the 1991 putsch against Mikhail S. Gorbachev — Vasily Stanudobov, head of the conservative Agrarian Union of state and collective farm managers.

The only prominent people missing, it seems, are Ruslan J. Khasbulatov and Alexander V. Rutskoi, in jail as leaders of the opposition that Mr. Yeltsin crushed a month ago — and, so far, Mr. Gorbachev.

But for all the hoopla, debates, polls and prognoses, nobody, at this stage, is entirely clear what the election is all about.

What is known is that 450 deputies will be chosen to a new lower house, the State Duma — half directly elected in constituencies, half from party lists. And 176 dep-



A Communist supporter signing a petition for candidates in the Dec. 12 parliamentary elections.

uties will be elected to an upper house, the Federation Council — two candidates directly elected from each of the 88 regions and provinces of the Russian Federation. The two will form the Federal Assembly, Russia's seventh attempt at a parliament.

One problem is that the new Assembly is being chosen on the same day that voters will be asked to endorse a new constitution — one nobody has yet seen.

With so little time to prepare, nobody is entirely clear where the parliament will sit, what procedures it will follow or who will staff it. The old parliament building is in for months of reconstruction after being shelled last month.

Some candidates, ranging from the head of the Communist bloc, Gennadi A. Zyuganov, to the reform economist Grigori A. Yavlinsky, have complained that Mr. Yeltsin and his lieutenants are rushing the elections and making the rules to insure a legislature they can dominate.

The upper chamber is especially vague at this stage. It was originally envisioned as a body of top leaders from the 88 constituent regions, two from each. But after last month's clashes, Mr. Yeltsin has been pressuring the regions to disband their own legislatures and make both of their council seats elective rather than appointive.

Yet the excitement and suspense are tangible. However flawed the process, politicians of all hues accept that it is the only chance Russia has of restoring governmental legitimacy.

"There is no other solution," said Mr. Yavlinsky, who figures consistently in public-opinion polls as one of the most popular politicians outside the government.

"Legitimacy has been severed, and this may be the only way out of Communism," he said. "The only other way to unite this country is by force, and then everything ends. Given Russia's size, it can be ruled only democratically. It cannot exist without a parliament. So how can I stand aside?"

The challenge facing Mr. Yavlinsky and other candidates is formidable. Chief among them is that Russia has yet to shape any significant political parties. Only about 7 percent of the electorate belongs to a political grouping of any size. One result has been rushed coalitions and alliances, most of them centered around personalities.

Each bloc is required to submit a petition with at least 100,000 names by Nov. 7. That in itself is a challenge for many a smaller bloc, especially since most have had no time to find money or to form national organizations.

The most potent bloc at this

stage is Russia's Choice, which groups many top government ministers behind Yegor T. Gaidar, the reform economist and first deputy prime minister.

Adorned with the halo of victors after the dispersal of the old Congress, the People's Deputies and the quelling of the armed insurrection, the bloc also has Mr. Yeltsin's tacit endorsement and the luxury of constant news media exposure.

But the government has never been known for internal unity, and rifts are already showing in Russia's Choice. Prime Minister Viktor S. Chernomyrdin, for example, has yet to declare himself.

Several other well-known liberals have formed a Movement for Democratic Reform. They include Mayor Anatoli A. Sobchak of St. Petersburg and the former mayor of Moscow, Gavril K. Popov, as well as Alexander Yakovlev, once the top adviser to Mr. Gorbachev, and Sviatoslav N. Fyodorov, a celebrated eye surgeon.

On the right wing, the Communists will be represented most prominently by the Russian Communist Party, which was briefly banned after the uprising last month. Led by Mr. Zyuganov, 49, it is by far the largest in Russia, with a half-million members.

Other major conservative groupings include the Russian All-National Union led by Sergei Baburin, a Communist politician in the former Congress, and the Agrarian Union led by Mr. Stanudobov.

A newcomer to Russian politics is the Women of Russia bloc, formed of three women's organizations. Led by Alevtina Fedulova, head of the Union of Russian Women, the bloc rejects "extreme feminism" or "women's supremacy," and seeks to redress a radical imbalance — women formed less than 6 percent of the last Congress, and there are no women in Mr. Yeltsin's government.

WORLD BRIEFS

Britain Says It Has Ulster Proposals

LONDON (Reuters) — Britain, trying to keep hope alive in Northern Ireland after a week of murder and mayhem, said Monday that it would offer concrete proposals for peace if both Protestants and Roman Catholics agreed to talk.

Prime Minister John Major told Parliament that he would step up peace efforts after the "barbarous, despicable" massacre of seven people in a bar over the weekend, but stressed he would not talk to those who supported violence.

Senior government sources said details of government proposals aimed at producing what they termed a substantive settlement in Northern Ireland would be revealed only when all sides had agreed to a restart of negotiations.

Israel Outlines Pullout Plan for PLO

TABA, Egypt (Reuters) — Israel resumed talks with the Palestine Liberation Organization on the details of their peace agreement on Monday, submitting maps outlining its proposed troop withdrawal, due to begin in six weeks.

Palestinian sources said Israel proposed pulling out from the center of Palestinian cities and refugee districts while maintaining a presence at sea, along the shore, around the settlements and on main highways to the settlements. The Palestinian delegate, Hassan Asfour, said his side would present a counterproposal in a day or two.

In Gaza and the West Bank on Monday, Jewish settlers rioted and kept Arab off roads for the third straight day in protest of the killing of a settler and of Prime Minister Yitzhak Rabin's peace moves with the PLO.

Afghan Foes in Clash Near Kabul

KABUL (Reuters) — Heavy fighting erupted on Monday between forces of Prime Minister Gulbuddin Hekmatyar of Afghanistan and fighters led by a former defense minister and mujahidin warrior loyal to President Burhanuddin Rabbani.

Fighters of the two main parties in Afghanistan's fractious Islamic coalition government bombarded each other's positions with rocket and mortar fire about 40 miles (60 kilometers) northwest of Kabul, according to a spokesman for Mr. Rabbani's Islamic Society.

Forces of Mr. Hekmatyar's hard-line Islamic Party opened fire at dawn on positions of Islamic Society fighters led by Ahmed Shah Massoud, the former defense minister and a veteran military leader in the 14-year Afghan civil war, the spokesman said.

Woman Drowns in Corsica Flooding

AJACCIO, Corsica (Reuters) — A woman drowned and six people were missing Monday in flash floods that destroyed bridges, roads and homes in Corsica.

The police said rescue workers had found the body of the woman and were searching the south of the island for three people feared dead — a man missing from a roof where he had taken refuge and a couple last seen in a car. A further three people were also reported missing, the police added.

Officials declared the southern part of the island an emergency zone and ordered all available officers and rescue services to the area, where rain was still falling. Reinforcements were called in from mainland France.

Karpov Wins the FIDE Chess Match

JAKARTA (Reuters) — Anatoli Karpov of Russia drew Monday with Jan Timman of the Netherlands to win the chess championship match sponsored by the International Chess Federation, known as FIDE.

Mr. Karpov, 42, beat Mr. Timman, 41, by 12½ points to 8½ points in the 24-game series. Mr. Karpov thus recaptured the title he held between 1975 and 1985 but lost to Garry Kasparov.

Mr. Kasparov, the world's strongest player, last month easily defeated a challenger, Nigel Short of Britain, in a 24-game match held in London. Mr. Short had beaten both Mr. Karpov and Mr. Timman for the right to challenge Mr. Kasparov.

Pakistan Ready for Talks on Kashmir

ISLAMABAD (Reuters) — Foreign Minister Farouk Leghari on Monday rejected calls by Islamic extremists for war with India and said Pakistan was ready to explore all avenues for talks with New Delhi on the disputed region of Kashmir.

A four-day debate at a special joint session of Parliament on the Indian Army siege of the holiest Muslim shrine in divided Kashmir adopted a resolution calling on India to allow people in the two-thirds of Kashmir ruled by New Delhi to decide whether they want to secede.

Pakistan controls the other third of the divided Himalayan region over which India and Pakistan have fought two of their three wars since independence in 1947.

Did Saddam Back Russian Coup?

MOSCOW (Reuters) — A top aide of President Boris N. Yeltsin said Monday that \$4 million had been found in the White House parliament building after government troops stormed it last month.

The aide, Sergei Filatov, was responding to a question about Russian press reports that President Saddam Hussein of Iraq had sent millions of dollars in aid to parliament leaders opposed to Mr. Yeltsin.

"It is difficult for me to say if it is true or not but \$4 million were found in the White House," Mr. Filatov, head of Mr. Yeltsin's personal administration, said in a Russian television interview. He did not elaborate.

For the Record

Empress Michiko of Japan was still unable to speak on Monday, 12 days after she was stricken by a mystery malady said to have been caused by a "deep sorrow," palace doctors said in a statement.

Fourteen people were killed and 17 injured in a stampede to see fireworks outside Cambodia's Royal Palace in Phnom Penh on King Norodom Sihanouk's 71st birthday, the police said Monday.

TRAVEL UPDATE

Air France Now Up to 157 Flights

PARIS (AFP) — Air France said Monday that it would be operating 157 flights from Paris airports on Tuesday amid a gradual return to normal services after last month's damaging strike by ground crews.

Sporadic work stoppages were still expected to occur Tuesday as the airline's new president, Christian Blanc, opened talks with trade unions in a bid to resolve the problem of the company's huge deficit.

The company said 64 flights would leave from Charles-de-Gaulle International Airport and 10 from Orly. Arrivals would number 74 and 9, respectively. Air France also said it would end the practice of transferring flights to regional airports.

Russia's first independent airline, Transaero, will start service to Israel this month, the Ha'aretz news agency said Monday.

Austrian Airlines pilots and cabin crew members continued a strike Monday as company officials said 90 percent of the airline's scheduled flights throughout Europe would be taken over by its subsidiary, Austrian Air Service, and by private and foreign carriers. Long-distance flights, however, have been canceled. The 1,200 striking workers are protesting the company's plans to lay off 500 employees including 17 pilots more than 50 years old.

Georgian Leader Vows to End 'Black Plague' of Civil War

TBILISI — Georgia said Monday that its forces had driven rebels out of the western town of Senaki, and the Georgian leader Eduard A. Shevardnadze ruled out compromise with his enemies to end what he called the "black plague" of civil war.

Mr. Shevardnadze's spokesman, Zaza Kandelaki, said on national television that government troops had regained full control of Senaki, a major road and rail junction, and forced the rebels to abandon the town late Sunday.

There was no immediate confirmation of the report, which, if true, would mean that Senaki had changed hands for the third time in less than a week.

"Today, to all intents and purposes, Georgia is in a state of civil war," said Mr. Shevardnadze, the former Soviet foreign minister, speaking in a television interview.

"In spite of the fact that everything was done on our side to avoid

this scourge and unite Georgia," he said. "The black plague afflicting us must pass as soon as possible."

Government spokesmen said that communications with Senaki had been cut and that there was major damage to the town.

Mr. Kandelaki said the government had moved extra manpower and weaponry to fortify Senaki and prevent it falling back into rebel hands, as happened when Mr. Shevardnadze's troops first took the town on Tuesday.

The mountainous republic has been rocked by war for much of the two years since it won independence from the Soviet Union.

Government forces suffered a crushing defeat last month when separatists drove them out of the Black Sea province of Abkhazia.

Now, the government says, these separatist forces have formed an alliance with the rebels in western Georgia who are trying to return the ousted president, Zviad K. Gamsakhurdia, to power.

Mr. Shevardnadze is anxious to keep the Russians involved in western Georgia and has said he wants no wavering in Moscow's commitment to guard the railway line.

Army Chief Is Arrested In Sarajevo

SARAJEVO — The chief of the Bosnian Army's general staff, Seter Halilovic, has been placed under house arrest, charged with covering up war crimes, a senior government official said Monday.

The move against him follows the arrest last week of two local commanders in Sarajevo and the smashing of a network of criminal activities.

The senior official said that General Halilovic had been accused of concealing war crimes, in particular those that took place in the Mostar and Jablanica areas.

General Halilovic, 36, a former officer of the Yugoslav Army who joined Bosnian forces after the breakup of the former Yugoslavia, was dismissed as army commander on June 8 after occupying the post for a year.

He was later named chief of the mainly Muslim army in Sarajevo and in September tried to unite troops sent from Sarajevo to Jablanica under his command with forces from Mostar.

The area of southern Bosnia is the theater of fighting between government and Croatian forces.

In other developments in the Bosnian conflict on Monday:

- Some United Nations peacekeeping troops allegedly took sexual advantage of Muslim and Croatian women who had been forced into prostitution in a Serbian-run brothel outside Sarajevo, according to a report published by New York Newsday.
- As many as 50 peacekeepers from Canada, New Zealand, France, Ukraine and an African country may have been involved in the incident, the newspaper said, quoting a Bosnian Serbian commander and 14 unidentified witnesses.
- The United Nations resumed its emergency aid airlift to Sarajevo one day after suspending the airlift over a shooting attack on crews loading a cargo plane on the runway.
- Muslim-led Bosnian Army forces in central Bosnia have told the United Nations that they killed 19 Croatian prisoners of war when they tried to escape in the Muslim held town of Bugojno, according to a UN military spokesman in Sarajevo.

Trial Starts in Toddler's Death

2 British Boys, Now 11, Accused of Killing 2-Year-Old

By William E. Schmidt
New York Times Service

LONDON — The two 10-year-old boys accused of murdering a Liverpool toddler knew what they were doing when they abducted him from a shopping mall last winter, dragged him across town and then brutally beat him to death on a railroad track with bricks, stones and a heavy piece of metal, a prosecuting attorney told a judge and jury on Monday.

As the murder trial of the two children opened in a courtroom in Preston, northwest of Liverpool, Richard Henriques, a prosecutor for the Crown Courts, offered a horrific chronology of the final hours of 2-year-old James Bulger, whose abduction from his mother's side and subsequent murder last February convulsed Britain.

The two boys, whose names cannot be disclosed because of their

ages, are believed to be among the youngest people to stand trial in Britain for first-degree murder. The boys, who have each turned 11 since the killing, have pleaded not guilty to charges they kidnapped and deliberately murdered little James.

Mr. Henriques told the court, "You will hear time and again of witnesses seeing a little child clearly very distressed but each appeared to have taken the same view: the little child must have been with an older brother or brothers and was being looked after."

Mr. Henriques said some passers-by did intervene on James's behalf, only to be told by the boys that James was either a younger brother or a lost child they were taking to a nearby police station.

When one woman challenged that explanation, telling the boys they were walking away from the police station, one of them said they had been wrongly sent that way by someone else.

In addition, Mr. Henriques told the court that the two boys also tried to abduct another 2-year-old before they kidnapped James. In addition to the charges involving James, the two boys face a further charge of attempted abduction of that toddler.

Unlike earlier incidents in Liverpool, where unruly crowds attacked vans bringing the boys to court, only a handful of people gathered outside the courthouse in Preston on Monday morning, when the boys arrived for their trial.

The trial was moved to Preston out of concern that public opinion in Liverpool would make it difficult for the boys to receive an impartial hearing.

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SINGAPORE AIRLINES

Broadcasts to Hungary Are Signed Off by RFE

BUDAPEST — Radio Free Europe stopped its Hungarian broadcasts on Sunday after 42 years on the air because of U.S. budgetary cuts, press reports said Monday.

The Munich-based radio is also to cut the broadcast time of its Czech- and Polish-language programs and is to relocate its Czech and Polish studios from Munich to Prague and Warsaw later, the Hungarian news agency MTI said.

OVERHEARD

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STATESIDE / THE GENDER QUESTION



Mrs. Whitman being backed up by Senator Bob Dole, center, on the New Jersey campaign trail.

Women Candidates: Dropping a Label Too Soon?

By Richard L. Berke
New York Times Service

ALEXANDRIA, Virginia — Patricia Cornwell is better known for her murder mysteries than her politics. But her message in Virginia's gubernatorial campaign seems to have a receptive audience with voters of this state.

"No one wants a woman to be governor of Virginia more than I do," she says.

Even though she made a donation to Mary Sue Terry, Ms. Cornwell said she changed her mind after discovering that the Democratic nominee was "just another politician."

In a television commercial for George Allen, Ms. Terry's Republican opponent, she declares, "I've decided not this woman, not this year."

If last year was the much-touted Year of the Woman, this year that theme could be muted.

In 1992, record numbers of women were elected to federal and state offices after campaigns in which many proudly played up their sex. This year, that breakthrough seemed to continue when women were nominated in the nation's only two races for governor, in Virginia and New Jersey. But in both cases, the candidates made no special efforts to win over female voters until recently.

Now, in the closing days, as polls show

that they are failing to pick up the support that had been widely expected from women, Ms. Terry and Christine Todd Whitman, the Republican candidate for governor in New Jersey, are hurriedly injecting appeals to women at virtually every stop.

In both states the support of undecided and independent female voters could hold the key to victory. Governor Douglas Wilder of Virginia, a Democrat, won in a close race four years ago with support from the educated, high-income women in Northern Virginia who tend to be swing voters.

So Ms. Terry, who in her previous campaigns did not make much of her stand on abortion rights, began campaigning last week with Kate Michelman, president of the National Abortion Rights Action League, which was sending out a mass mailing last weekend on behalf of Ms. Terry.

"George Allen insults the women of Virginia by saying we don't have the intelligence or the judgment to exercise the right to choose," Ms. Terry declared at a rally the other day.

As she seeks to close in on Governor Jim Florio, Mrs. Whitman is also emphasizing her support for abortion rights. She has begun adding the phrase, "as the first woman governor of New Jersey," to her speeches.

And her campaign was so blatant as to blame the Helen Reddy anthem "I Am Woman" at a rally last week.

"What you had is two women running away from their gender in a year after running as a woman created a great deal of interest, excitement and enthusiasm among the voters," said Ruth Mandel, director of the Center for American Women and Politics at Rutgers University in New Jersey. "It was a strange decision each of them made, and they may have miscalculated early on, thinking it was dangerous to run as a woman."

Both women may have held back out of fear that stressing women's issues could conflict with their efforts to be strong against crime, a theme frequently used by male candidates. And box, have burdened their campaigns by a number of blunders that might make these late pushes irrelevant.

But their male opponents are not sitting still. Mr. Florio and Mr. Allen are responding by emphasizing their records on issues important to women, altering the terms of the debate in the closing days of the campaign.

Though polls show Ms. Terry has a higher proportion of support among women than Mr. Allen, the figures are not impressive. And in Mrs. Whitman's case, polls show that she may be losing women's support by a wide margin and drawing more support from men.

While they are both female, Ms. Terry and Mrs. Whitman show more differences than

similarities in their political situations. Since female voters tend to favor Democrats, Mrs. Terry started with an advantage that Mrs. Whitman lacked, particularly since Mr. Allen was not seen as favorable to women's issues.

Mrs. Whitman gained little from her support for abortion rights because Mr. Florio also favors the right to abortion without restrictions. Beyond that he has courted women more directly than Mrs. Whitman.

Linda DiVall, a Republican pollster, asserted that Ms. Terry and Mrs. Whitman failed to gain more support from female voters because, in their efforts to come across as serious about issues like crime, they appeared cold.

"Some of the generic strengths that female candidates have working for them is that they are perceived to be open and approachable," she said. "There was a period of time where both the female candidates came across with great intensity, and it is possible that many female voters found it difficult to relate to them."

Should Ms. Terry, Mrs. Whitman or both lose, will there be a re-evaluation of all the hoopla over the Year of the Woman? Political professionals hope not.

"Will the headline of 1993 be: 'Year of the White Male?'" asked Ms. DiVall. "I don't think so. People forget that there were a lot of women who lost in 1992."

★ POLITICAL NOTES ★

Arm-Twisting Aplenty for Trade Agreement

WASHINGTON — Representative Esteban E. Torres, Democrat of California, was considered a prize catch in the battle over the North American Free Trade Agreement. A prominent Hispanic-American legislator and a former official with the United Auto Workers, Mr. Torres came under intense pressure from supporters and opponents of the treaty.

But when he finally said "yes" last week, his vote came at a hefty price: a jointly funded, binational North American Development Bank to help cushion the impact of the treaty on workers and communities. And on the day he announced his support, not one other legislator stood up with him — even though some administration officials had been led to believe as many as eight others might join Mr. Torres.

"One man, one bank," one House Democrat sighed.

Other legislators may yet follow Mr. Torres' lead, but his case is typical of the trench warfare over NAFTA. It is a story of both the selling and the buying of a treaty.

The selling of NAFTA shifted into high gear on Monday as President Bill Clinton, his health care legislation now shipped to Congress, began devoting the bulk of his time to the issue before the scheduled vote in the House on Nov. 17. Mr. Clinton is fighting to overcome strong, early opposition to the free trade treaty with Mexico and Canada.

The deputy leader of the Democratic majority in the House, David E. Bonior of Michigan, who leads the opposition to the treaty, asserted that the administration "will sell anything to anybody to get this thing done."

Administration officials call that nonsense. "We're not going to win this with big fancy deals or big fancy projects," one official said, "but by talking them through it, providing them with the political atmosphere in which they feel comfortable." (WP)

Health Insurers Lying, Hillary Clinton Says

WASHINGTON — Hillary Rodham Clinton accused health insurers on Monday of spreading lies about Mr. Clinton's health plan and trying to preserve the industry's ability to deny coverage to sick people.

"Enough is enough," she said, angrily denouncing the Health Insurance Association of America's million-dollar television advertising campaign in which a couple sitting at their kitchen table voice doubts about President Clinton's plan.

"One of the great lies," she said, "is that the president's plan will limit choice. To the contrary, the president's plan enhances choice."

Mrs. Clinton was speaking to several thousand doctors at the annual meeting of the American Academy of Pediatrics.

The advertisements feature "a kind of homey kitchen," she said, "where you've got a couple sitting there talking about how the president's plan is going to take away choice."

"What you don't get told in that ad is that it's paid for by insurance companies," she said. "They like what is happening today. They like being able to exclude people from coverage because the more they can exclude the more money they can make."

Officials of the insurers' group had no immediate comment, but said they were preparing a response to Mrs. Clinton. (AP)

Quote / Unquote

President Clinton, campaigning for the NAFTA: "This issue has acquired an enormous significance because of the advantage it will give us in the Mexican market over our competitors in Japan and Europe and because of the leverage that will then give us to get a worldwide trade agreement." (Reuters)

Illegal Chinese Immigration Dries Up

By Al Kamen
Washington Post Service

WASHINGTON — Tougher measures by the Immigration and Naturalization Service, the FBI's arrests of smugglers and the surprising cooperation of the Chinese and other governments has all but stifled a threatened wave of illegal Chinese immigration.

The Coast Guard, which has been making aerial sweeps up and down U.S. coasts almost daily, is "not finding anything," a Coast Guard official said. The service gets numerous tips about "a boat here or there," the official said, "but nothing is found."

Secret meetings in recent months between American officials and their Chinese counterparts over both illegal immigration and drug trafficking have led to intense pressure in China on the smugglers, generally from the south, near Taiwan.

Immigration officials estimate that in the last few years, Asian criminal syndicates have annually brought as many as 100,000 Asians — most of them by ship — to the United States.

Although the Chinese government has not jailed returned aliens, one American official said, it has jailed several smuggling ringleaders and has publicized the problems facing immigrants upon arrival in the United States: years of servitude to pay off as much as \$30,000 demanded by the smugglers, and torture, or even death, for those who do not pay.

Chinese officials have intercepted ships, organized "anti-illegal-immigration work teams" and put up government posters warning Chinese of the dangers of the voyage and discouraging them from going.

Beijing has also agreed to broadcast television programs, made by the U.S. Information Agency and

translated into Chinese, that show recent Chinese arrivals being jailed. The programs warn that jail awaits anyone who tries to enter the United States illegally.

After the 1989 killings of pro-democracy protesters in Beijing, the United States stopped deporting illegal Chinese immigrants and began issuing work permits to those seeking asylum. More recently, however, Washington has been jailing more illegal Chinese immigrants.

Of the 2,500 people seized from 11 ships since January, 1,400 are in detention. Many are ready for deportation, and the Chinese government has agreed to take them back. None have been deported yet, but one official said that "the modalities have been worked out."

China is cooperating to curb illegal immigration, according to an American official, because Chinese laws are being broken and the exodus "makes China look bad."

China's attitude on immigration, one official said, may be "the one bright spot" in the standoffs between Washington and Beijing over arms sales, human rights and other issues.

Taiwan, where most of the smuggling ships and many of the smugglers originate, has also been cooperative. American officials said, Taiwan has paid for the repatriation to the mainland of Chinese caught trying to enter the United States illegally from Taiwanese-flag vessels.

Taiwan has another practical reason for co-operating: It has its own alien-smuggling problem with the mainland and sends back to China thousands of illegal immigrants each year.

No American official would predict that Chinese will not continue to try to enter the United States as long as China remains impoverished and opportunities and relatives are here.

Away From Politics

- Evidence surfaced that drugs may have been a factor in the death of the actor River Phoenix, 23, who collapsed outside a West Hollywood nightclub. With an autopsy pending, television stations broadcast recordings of an emergency call from his brother, asking for help and saying the actor had taken "Valium or something."
- A bombing at the Bureau of Land Management's offices in Reno, Nevada, was a "terrorist attack," said the Nevada director of the federal agency, Billy Templeton. The bomb exploded Sunday on a roof, causing damages estimated at \$100,000 but no injuries. The agency said it had no clues as to who might be responsible. The agency is at odds with ranching interests throughout the West over proposed new regulations and increases in grazing fees.
- The spacecraft Columbia ended the longest space shuttle flight ever, landing at Edwards Air Force Base in California after 14 days and 13 minutes in space. The craft and its crew of seven logged 5.8 million miles (9.4 million kilometers) and circled Earth 225 times.
- A 14-year-old fatally shot himself while playing Russian roulette with a .357 Magnum pistol, possibly belonging to his parents, in their apartment in the Bronx borough of New York City, the police said.
- Fire fighters in southern California battled the few brush fires still burning and expected to have them fully under control within hours. The Santa Ana winds that fueled the latest last week were expected again Monday night, but nowhere near the 60-mile-per-hour intensity that helped to destroy 330 homes in Laguna Beach and 115 in Altadena, the two worst-hit cities. (Reuters, AP, NYT)

Of Multinationals and States

Supreme Court to Rule on Corporation Tax Liability

The Associated Press

WASHINGTON — The Supreme Court agreed Monday to decide whether states may tax multinational corporations based on their worldwide income rather than their in-state income only.

The court said it will hear arguments by two British-owned companies and the New York-based Colgate-Palmolive Co. that such a California tax, recently revised, was unconstitutional.

California lawmakers voted in September to make the state's "unitary" tax system optional starting with the 1994 tax year.

Foreign- and domestic-owned multinational companies will be allowed to choose another tax method that is not based on the parent corporation's worldwide income.

Six other states — Idaho, Montana, North Dakota, Alaska, Tennessee and Utah — also use some form of unitary tax system.

Such a tax treats a corporation and its subsidiaries as one entity.

A state calculates the corporation's in-state business as a percentage of its worldwide business to come up with the state income-tax bill.

Advocates of that taxing method say it keeps corporations from avoiding taxes by moving their profits to other areas.

The Supreme Court ruled in 1983 that states may use the unitary method to tax U.S.-owned multinational corporations.

The action in the Colgate-Palmolive appeal indicates the justices are going to revisit the 1983 decision.

That ruling left open the question of whether states may apply such a tax to foreign-owned companies.

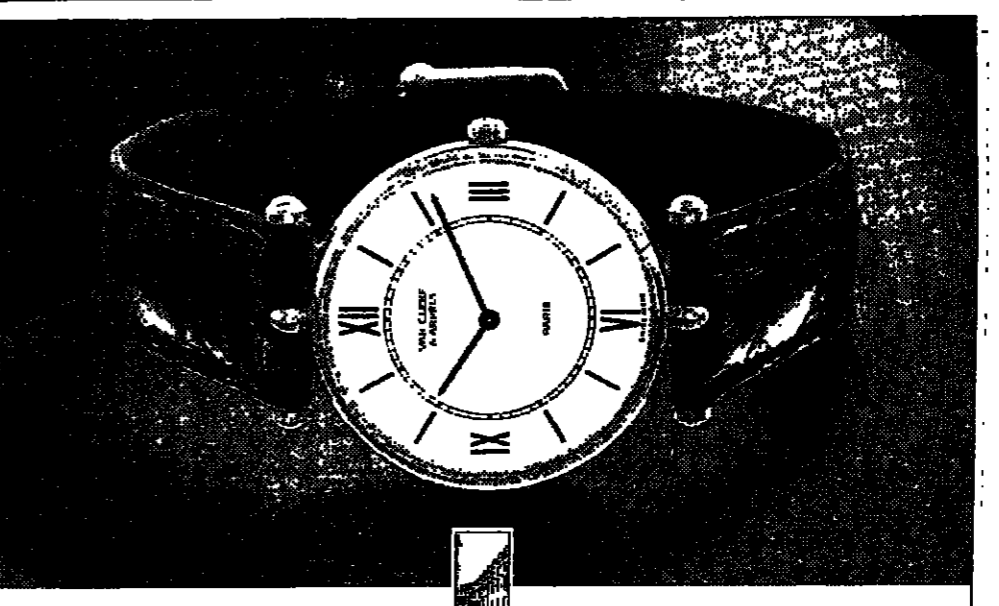
California's unitary tax was challenged by Barclays Bank of California and Barclays Bank International, both of which are owned by

the British corporation Barclays Bank PLC.

In an audit of the companies' 1977 tax returns, California officials ordered the companies to pay back taxes and said they must be calculated by the unitary method.

The court acted on these other issues:

- The court refused to let Colorado enforce its anti-gay-rights amendment while the state courts judge its legality.
- The court, without comment, rejected the argument that Colorado court rulings set a too-high legal standard for judging whether the amendment violates homosexuals' rights.
- The constitutional amendment approved by the state's voters in November 1992 bars any law or ordinance aimed at protecting homosexuals from discrimination.
- It would cancel ordinances in Denver, Boulder and Aspen that outlaw discrimination against homosexuals in employment, housing and public accommodations.
- It agreed to decide what states can do to stop people from avoiding cigarette taxes by buying cigarettes on Indian reservations.
- The court agreed to hear an argument by New York officials that federal law lets states regulate and limit wholesale suppliers' sale of untaxed cigarettes to stores on Indian reservations.
- It agreed to clarify how police officers must respond when criminal suspects being questioned make what may be ambiguous requests for legal help.
- The court turned down the appeal of a Wisconsin boy who won, and then lost, \$1.1 million from the



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Edwin A. Walker, 84, Dies, General Was Fired by JFK

The Associated Press

DALLAS — Edwin A. Walker, the far-right U.S. Army general dismissed by President John F. Kennedy, has died. He was 84 years old.

Mr. Walker died at home Sunday. The cause of death was tentatively listed as lung disease.

A decorated World War II veteran, Mr. Walker rose to the rank of major general, but was relieved of duty in the early 1960s. President Kennedy removed him partly for handing out John Birch Society literature to troops that implied the president was a traitor.

It was not the first time he had tangled with a president. In 1957, General Walker led federal troops to force school integration in Little Rock, Arkansas, only after President Dwight D. Eisenhower refused to accept his resignation. Mr. Walker later fought integration at the University of Mississippi.

After leaving the military, Mr. Walker ran against Governor John Connally in the Texas Democratic primary in 1962. He finished last in a field of six candidates.

The Warren Commission said Lee Harvey Oswald, identified as the sole gunman in President Kennedy's assassination in November 1963, tried to shoot Mr. Walker in April 1963 but missed.

Francisco Salgado Zenha, Portuguese Justice Minister

LISBON — Francisco Salgado Zenha, 70, justice minister in Portugal's first government after the 1974 revolution, died Monday.

A founding member of Portugal's Socialist Party, Mr. Salgado Zenha began political life as a law

student by founding the Movement for Democratic Unity against the dictator Antonio Salazar.

Mr. Salgado Zenha was justice and finance minister in 1975 in governments led by the current president and fellow Socialist Party founder, Mario Soares.

Ismaels Georgakis, 78, a diplomat, professor and government minister who was a longtime president of the Alexander S. Onassis Public Benefit Foundation, died Monday of heart failure in Athens.

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Let's Talk Foreign Policy

Just as the Clinton administration began to build political momentum with its carefully prepared campaign for health care reform, foreign policy embassies in Somalia and Haiti brought unwanted distractions and a new drop in the president's poll ratings. Bill Clinton is right to want to de-emphasize foreign policy now that America is no longer under constant strategic threat. But the best way to do that may be for the president to talk more, rather than less, about the country's changed international situation and the need for a more selective and restrained use of force.

Serious About East Timor

The plight of East Timor has nagged at American consciences since 1975, when Indonesia devoured this former Portuguese colony. The United States has never recognized Jakarta's annexation of its tiny neighbor, but until recently Washington was loath to offend a powerful authoritarian regime that was an important customer for U.S. arms.

Hate and Art on Screen

An audience watching an old print of D. W. Griffith's "The Birth of a Nation" can be expected to feel the following: horror, distaste, fear, creepy, emotional involvement, fascination, revulsion... and then maybe the same pattern several times over as the 1915 film unfolds with previously unparalleled technical prowess, white virtue threatened by savage blacks, the heroic Ku Klux Klan coming to the rescue.

Other Comment

Opening Japan's Works Sector

Foreign companies have long coveted Japan's construction sector, especially because the annual budget for public works can be as high as \$300 billion. To introduce transparency in the bidding process, the Japanese government has promised to establish general guidelines on procedures to hold tenders for public works projects. And to address long-standing demands by foreign companies, the Japanese will now review the system by which they have to form joint ventures with Japanese companies in bidding on public works projects.

The Secretary-General Is Right To Give Brinkmanship a Try

By Flora Lewis

WASHINGTON — In some what more diplomatic words, United Nations Secretary-General Boutros Boutros Ghali has told the Security Council to put up or shut up. The proliferating number of wars and upheavals in the world — more than at any time since World War II — and the lack of support for UN efforts to make peace threaten the world's stability.



By Pictures In The Sun (Washington, C&W Syndicate)

If NATO Can't Guarantee Security in Europe, What Good Is It?

By William Pfaff

WASHINGTON — The Clinton administration has given its answer to the problem of Central and East European security. It is as equivocal as this administration's other foreign policy initiatives: a proposal that all of the countries of the region become members of NATO, but not real members.

For Malaysia and Indonesia, Very Different Paths to the Future

By Philip Bowring

HONG KONG — The Malay world has a reputation for fluid and undemocratic politics in which pluralism and authoritarianism mix, often creatively. But recent days have seen Indonesia and Malaysia demonstrate fundamental political differences which show the contribution that open and democratic institutions can make to political transition and so to long-term stability.

and can't raise more. In the Cold War, the secretary-general points out, "countries were ready to spend a billion dollars a day, but now not 0.1 percent of that."

from the aggressions of others, while constraining them to the discipline of dispute resolution through negotiation and accommodation. It is possible to imagine new threats, in time, from the east, but that at present is unprofitable and possibly provocative speculation.

Dirty Old Tricks Smear a New Victim

By Anthony Lewis

BOSTON — Joe McCarthy is long dead, but McCarthyism is alive and well in Washington, its evil undiminished. That is clear from the case of Morton Halperin. President Bill Clinton's nominee to be assistant secretary of defense for democracy and peacekeeping. The extreme right is running a campaign of smears to block his confirmation.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

- 1893: Presidential Guard WASHINGTON — In consequence of the increase of homicidal mania throughout the country, which has resulted from the example given in the murder of Mayor Carter Harrison, the force of watchmen at the White House has been increased, and when President Cleveland goes out he is attended at a short distance by detectives.
1918: Habsburg Crisis PARIS — The revolution in Austria-Hungary is spreading rapidly. From all parts of the collapsing Dual Monarchy come reports of revolt. Count Tisza, former premier of Hungary, the tool of Germany, one of the principal authors of the great war, has been assassinated. Many of the reports from Austria are vague and conflicting, but there is no doubt that the world will soon have to deal with a tremendous upheaval, which will end the Habsburg regime. There is as yet no confirmation of the report that Emperor Charles is in flight.
1943: Planning for Peace WASHINGTON — [From our New York edition:] The story of the Pact of Moscow was unfolded simultaneously at Washington, London and Moscow today (Nov. 1) in five documents which revealed that the United States, Great Britain, Russia and China have arrived at complete understanding for whipping their enemies into "unconditional surrender" and for maintaining future world peace by means of a general international organization.

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OPINION

The Three-Cornered Nuclear Suspense in Northeast Asia

By Selig S. Harrison

WASHINGTON — For the first time since the bombing of Hiroshima in 1945, Japan no longer rules out the possibility of producing its own nuclear weapons.

indefinitely," declared an editorial in the Asahi Shinbun, Japan's largest newspaper, in a firm stance to include a clause requiring the nuclear powers to abolish nuclear weapons within a limited period of time.

The plutonium program reflects sentiment in favor of keeping the Japanese nuclear option open.

keeping the nuclear weapons option open. Similarly, Japan's communications satellite program has legitimate commercial justification. But Japan's neighbors are keenly aware that its satellites are put into orbit by sophisticated rockets that could be converted to missiles.

op its uranium enrichment capability and facilities for reprocessing spent fuel into plutonium. Under the U.S.-Japanese nuclear cooperation agreement, in 1991, Japan asked for and received permission from the Bush administration to reprocess spent fuel in Europe, pending completion of its own reprocessing plant at Rokkasho.

Complicating the situation are the nuclear programs of North and South Korea. North Korea is engaged in a long-running dispute with the International Atomic Energy Agency over inspections of its nuclear plants. Pyongyang charges that the United States applies a double standard by permitting Japan to stockpile reprocessed plutonium and to build its own reprocessing facilities while demanding that Pyongyang give up its effort to develop reprocessing capabilities.

Japan fears that a unified Korea will go nuclear whether or not North Korea can be persuaded to give up its nuclear option.

gram operates under strict IAEA safeguards. The South has nine nuclear plants and is expected to open five more before the end of the decade. Experts estimate that its accumulated spent fuel would yield about 10 tons of plutonium if reprocessed to an estimated 24 tons by the year 2000.

Beware, Reader, the Wirers Of Telebabel Are After You

By William Safire

WASHINGTON — "We see wireless as fiber to the person," says the boss of Bell Atlantic. He is not talking of moral fiber, which each person needs. As he steers his company into some supercolliding communications combine, he speaks of optical fiber, a wire capable of transmitting zil-

ions of unwanted messages into my home — and interactively, yet, which means I would soon have the capability of, and therefore the responsibility for, answering them all.

At the Moscow summit in 1972, Richard Nixon's chief of staff, H. R. Haldeman, introduced us to the new "beeperphone." Through this amazing paging device, worn on the hip, the nation's chief executive could instantly track down any of his score of assistants anywhere in the capital of the rival superpower at any moment.

LETTERS TO THE EDITOR

Policy for Somali Peace

We fervently hope that U.S. policy will stay steadily on course in its objective of helping Somalia to build a united, viable and stable government that could act as a guarantee against any reversion to the horrible killing and rape politics that brought the original famine to the international community.

First, Cure the Society

Regarding "How the Japanese Manage to Live Longer for Less" (Oct. 22) by Robert Kutner: The principle reasons for Japan's favorable health statistics are 1) dietary practices, and 2) freedom from the drugs and crime that inundate the U.S. health care system with patients.

Bush's Short Decade

Regarding the report "U.S. Crop Export Drive Enriches Big Companies" (Oct. 9): The article states that "through the 1980s... the Bush administration sought to make Saddam Hussein an ally." Yet, the Bush administration in the '80s existed from Jan. 20, 1989, until Dec. 31, 1989 — less than one year.

Pretending It All Away

It seems to this reader that too many world leaders, journalists and citizens have gotten caught up in a tragic game of Let's Pretend. Let's Pretend is fun for kids, but a deadly game for adults.

Culture and Show Biz

The United States may be playing unnecessary hardball with the French over audiovisual products in the GATT trade negotiations. But

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- Luxury that towers above the rest. Cuisine to international 5-star standards. Richly furnished rooms. 2 exclusive upper floors with luxury suites, executive studios and the Penthouse - all complete with butler service.

On November 29th, the IHT will publish a Special Report on PRIVATE BANKING. Among the topics to be covered are: Washington's approach to the tax-shelter business. EC's campaign to harmonize tax and reporting policies. Winning new customers amid stiffer competition. Wrap accounts — private banking for the public. Offshore territories — how much does image count?

State of the ART. The art of advanced civilisations that preceded modern, democratic Turkey isn't all in our museums - as is this ancient mosaic of Medusa. With Turkish Airlines the art of flying has always been advanced. Today we have one of the most modern fleets available. And that means whether you're flying direct from New York, London, Paris, Frankfurt, Zurich or Tokyo, your trip will be totally relaxed. Especially with our warm Turkish hospitality, which, unlike Medusa, will never leave you stone cold.

Clinton Holds Out for Aristide's Return

Compiled by the Staff from Dispatches
PORT-AU-PRINCE, Haiti — The Clinton administration said Monday that it still expected the democratically elected president of Haiti to be restored to power, but rightists opposed to the return of Jean-Bertrand Aristide declared a UN peace plan "completely dead."

"We don't believe the process is dead," the White House press secretary, Dee Dee Myers, said in Washington.

The Clinton administration on Sunday added 650 Marines to a naval blockade of Haiti. The Marines were aboard a navy amphibious assault ship that joined 11 other vessels from the United States, Canada and Britain. The assault ship, the Nassau, is carrying trucks, armored vehicles and helicopters along with the troops.

The ships are enforcing a UN-imposed oil and weapons embargo aimed at forcing the Haitian military to allow the return of Father Aristide, a Roman Catholic priest.

The Marines would help evacuate Americans if their safety is threatened.

As some of the ships patrolled within sight of Haiti's coast, about 200 flag-waving anti-Aristide demonstrators rallied in front of the vacant presidential palace. They denounced Father Aristide and Robert Malval, the prime minister he appointed to prepare his return.

"Arrest Malval! Arrest Malval! Aristide is in deep trouble!" they chanted.

Later Sunday, 30 small rightist groups demanded the resignation of those who had worked out the UN plan for restoring democracy: Father Aristide; the UN special envoy, Dancé Caputo; and the head of the army, Lieutenant General Raoul Cédras.

The UN plan "is completely dead right now," said Emmanuel Constant, head of the army-backed Front for the Advancement and Progress of Haiti.

The rightists justify their bid for power by saying that Father Aristide lost all credibility from mid-1991 Saturday, the deadline for his return under the terms of the UN-brokered agreement, which was signed on July 3 on New York Governor's Island by the exiled leader and General Cédras.

The United Nations has threatened increased sanctions against Haiti, one of the world's poorest nations, if military rulers try to replace Father Aristide, who swept Haiti's first free elections in 1990.

The United Nations called on all parties to meet here Wednesday to find ways to complete the pact's provisions.

Other unfulfilled provisions include the adoption of a law granting amnesty for human-rights violations since the 1991 coup against Father Aristide.

Encouraged by the apparent failure of the UN plan, loyalists of the deposed Duvalier family dictatorship have recently begun emerging in public.

Francé Romain, a police chief and Port-au-Prince mayor under the Duvaliers, on Sunday made his first public appearance since returning from exile. He had been forced to flee shortly after thugs loyal to him murdered 11 parishioners at a Mass held by Father Aristide in 1988.

Mr. Romain, also blamed for killings throughout the Duvalier reign, told reporters Sunday that Duvalierists "have the soul of the country." (AP, AFP, Reuters)



PERU'S PRESIDENT HAILS NEW CONSTITUTION — President Alberto Fujimori waving to a crowd in Lima after voting in a referendum that approved a constitution institutionalizing his free-market policies. On Sunday, he called the vote a victory for all Peruvians but acknowledged it had been closer than he expected. Unofficial reports indicated 53 percent had backed the charter.

Haiti Leaders on CIA Payroll

Aristide Backers Call Agency's Reports One-Sided

By Tim Weiner
 New York Times Staff

WASHINGTON — Key members of the military regime controlling Haiti and blocking the return of President Jean-Bertrand Aristide were paid by the Central Intelligence Agency for information from the mid-1980s at least until the 1991 coup that forced Father Aristide from power, according to American officials.

As part of its normal intelligence-gathering operations, the CIA cultivated, recruited and paid generals and politicians for information about everything from cocaine smuggling to political ferment in Haiti, they said.

Without naming names, a government official familiar with the payments said that "several of the principal players in the present situation were compensated by the U.S. government."

It was not clear when the payments ended or how much money, they involved, although they were described as modest.

Supporters of Father Aristide said the payments proved that the CIA's primary sources of information in Haiti were Father Aristide's political enemies, and they criticized the agency's reporting on Haiti as one-sided.

Michael D. Barnes, a former member of Congress who is a spokesman for Father Aristide, said, "Given what the CIA has done in the past two weeks, namely the attempted character assassination of Jean-Bertrand Aristide, it wouldn't be surprising to learn that the CIA had been working with his political enemies in Haiti for many years."

But Representative Robert G. Torricelli, Democrat of New Jersey, who serves on the House Intelligence and Foreign Affairs Committees and who confirmed the payments, defended the intelligence relationships as crucial to U.S. policy makers in trying to understand Haitian politics.

"The U.S. government develops relationships with ambitious and bright young men at the beginning of their careers and often follows them through their public service," he said. "It should not surprise anyone that these include people in sensitive positions in the current situation in Haiti."

A member of Congress familiar with the recruiting of sources of information within the Haitian government said the information received was a mixed bag. "There are things we should have been getting for the money which we didn't get — for example, on the narcotic side," he said.

The CIA's activities in Haiti also included a covert operation, authorized by President Ronald Reagan and the National Security Council, which

involved an aborted attempt to influence an election held in January 1988, the officials said.

Haiti was then under the control of a military ruler, Lieutenant General Henri Namphy, who assured the Reagan administration that the elections would be free and fair. But the ballot was widely perceived as rigged by the military, and the campaign was marked by killings of civilians.

Father Aristide, who was not a candidate, had urged a boycott of the election. The operation undertaken by the CIA aimed at seeing the election go forward, the officials said, but it also involved plans to slip campaign money to candidates. In a rare action, the payments were blocked by the Senate Select Committee on Intelligence, the officials said.

In the 1980s, the United States undertook covert operations and military actions throughout the Caribbean and Latin America to support pro-U.S. and anti-Communist governments. Several prominent figures in the region were on the U.S. intelligence payroll during the decade.

The officials who described the payments to Haitian generals and politicians said they were not intended to install any one leader as president of Haiti.

Supporters of Father Aristide say the CIA, which does not make policy but which can influence policymakers through its reporting, has undermined the chances for Father Aristide's return. In recent briefings to Congress, Brian Latell, the CIA's chief analyst for Latin American affairs, has described Father Aristide, a Roman Catholic priest who has been expelled by his Sallesian order, as unstable and as having a history of mental problems.

In a 1992 report widely circulated in Washington, Mr. Latell described a meeting with Lieutenant General Raoul Cédras, Haiti's current military dictator, and praised him as one of "the most promising group of Haitian leaders to emerge since the Duvalier family dictatorship was overthrown in 1986."

The Clinton administration, in turn, questioned the CIA's analyses and praised Father Aristide as a rational and reasonable man.

The officials who described the payments to generals and politicians in the current regime in exchange for information said they were a normal and necessary part of gathering intelligence in a foreign country.

"These relationships are crucial so that we can anticipate changes in volatile societies," Mr. Torricelli said. He said the quality and quantity of information the CIA provided on Haiti was generally praiseworthy.

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The Invisible U.S. Buildup in Somalia

By John Lancaster
 Washington Post Service

MOGADISHU, Somalia — The nearly completed buildup of American combat forces in Somalia is starting to seem more irrelevant than during.

American combat troops — 3,600 army soldiers backed by the same number of Marines on ships nearby — are all but invisible here. They do not patrol city streets. They do not man checkpoints. And contrary to initial plans, they do not provide escorts for United Nations supply convoys, which will come under periodic attack.

Instead, the evolving American military strategy in Somalia might best be described as duck and cover. While gunmen rule the streets outside, American soldiers live in huge, protected enclaves linked by specially constructed by-pass roads, avoiding all but occasional contact with the city they were sent to help secure.

The American retreat from the streets has been accompanied by a rise in thuggery and factional violence, which once more has begun to interfere with humanitarian relief work here. Last week, the port was virtually shut down for three days after Somalia's south Mogadishu prevented rivals from the northern half of the city from reporting to their jobs as dockworkers, port officials said.

For now, at least, U.S. military commanders are focusing almost exclusively on one goal — keeping American casualties to a minimum until the planned U.S. withdrawal in March.

"You've got this huge force flying in with nothing to do but protect its perimeters and

bases," said a frustrated American officer. "Meanwhile, everything is going to hell in a handbasket on the outside."

There are, of course, good reasons for caution. With the forces of General Mohammed Farrah Aidid holding their fire against American and UN troops, U.S. commanders want to avoid offensive measures that could foil diplomatic efforts to broker a peace settlement among General Aidid and rival clans.

On the other hand, there is no evidence that President Bill Clinton is fulfilling his pledge to

problem is that's forcing us to build wider bypasses. It's the classic military conundrum. Are you more secure improving your fortifications or going out more aggressively and patrolling?"

The deteriorating security situation prompted a cable from the American diplomatic mission here to the State Department late last week expressing concern that U.S. forces had "totally pulled back," according to an American official familiar with its contents.

U.S. military officers, too, are frustrated by what they describe as an absence of clear guidance from Washington. They are hoping to receive such guidance when President Clinton's special envoy to Somalia, Robert B. Oakley, arrives here for negotiations among rival clans. Mr. Oakley met last week with members of the military's joint staff to try to clarify the U.S. military mission, an American official said.

[American tanks rumbled through Mogadishu's shell-blasted streets on Monday in a show of military might hours before Mr. Oakley's arrival, Agence France-Presse reported.]

At present, the diplomatic process is stalled, with General Aidid refusing to send delegates to UN-sponsored political talks.

The U.S. decision has affected the posture of multinational UN peacekeeping troops. These troops were supposed to be serve as the front-line enforcers of security in Mogadishu, with the American soldiers standing by for emergencies. But the arrival of the American reinforcements has done little to lift the confidence of their UN partners, who remain largely confined to 11 UN strongholds around the city.

NEWS ANALYSIS

"keep open and secure the key roads and lines of communication" in Somalia and "keep the pressure on" armed looters and factional fighters.

Despite the cease-fire, security in Mogadishu has eroded in recent days, with gunmen and militia checkpoints reappearing on city streets amid renewed clashes among rival subclans. UN and American civilian officials complain privately that they now have more difficulty moving around the city than during their four-month war with General Aidid and that factional tensions and extortion threats are once more interfering with relief operations here.

"Checkpoints, gunmen running around town — that's got to stop," an American government official said. "The city throughout the war with Aidid was functioning better than it is now. Now, you can't get across town."

The official added: "We keep building wider bypasses instead of dealing with whatever the

BOOKS

MARTIN HEIDEGGER: A Political Life

By Hugo Ott. Translated from German by Allan Blunden. 407 pages. £20. HarperCollins, \$30. Basic Books.

Reviewed by Katherine Knorr

THERE is no longer any doubt about Martin Heidegger's enthusiastic backing of the National Socialist Party. Despite his convoluted apology after the war, the facts are that Heidegger was a member of the party from 1933 until the end of the war, that as rector of Freiburg University in 1933-34 he actively worked toward a so-called National Socialist reform of the universities and that he contributed to ruining the careers of some of his "politically unreliable" colleagues.

In "Martin Heidegger, a Political Life," Hugo Ott, professor of economics and social history at Freiburg, sheds much light on these events and paints a convincing portrait of a man who was scholastically brilliant and professionally ruthless. He contends that Heidegger's Nazi sympathies are inseparable from his work and that this means philosophical legacy, which continues to be influential (among Deconstructionists, for example), must be looked at with suspicion.

WHAT THEY'RE READING

• Claude Jamin, head of the hematology department at the Paul Brousse Hospital in suburban Paris, is reading "Tout Non, Peut-Être: Education et Verité" by Henri Atlan.

"As an oncologist concerned with both the scientific and the human aspects of cancer, I appreciate that a man of science should so passionately denounce absolutists and nihilists and preach negotiation and tolerance." (Elizabeth Hopkins, IHT)



through the night," he wrote in a letter on July 20, 1945.

After the war, Heidegger tried to position himself as a victim of the Nazis, but he was only a victim of infighting. What he didn't realize, in his enthusiasm to turn the university into a military organization, was that the brutes of the regime considered intellectuals like himself as clowns to be used.

When Heidegger was fighting in late 1945 to keep his teaching position, he suggested that the commission investigating him contact his one-time friend Karl Jaspers. After some soul-searching, Jaspers, who had lost his academic position under the Nazis because his wife was Jewish, wrote a letter saying, surprisingly politely, that Heidegger was not fit to teach.

"I can accept to some extent the personal excuse that Heidegger was unpolitical by nature, and that the special brand of National Socialism he concocted for himself had precious little to do with the real thing," Jaspers wrote. "But in response to that I would first of all remind you of what Max Weber said in 1919: children who stick their fingers into the wheel of world history are going to get them broken. Secondly, I would add this qualification: Heidegger undoubtedly failed to understand the true dynamics and aims of the National Socialist leadership. The very fact that he thought he could have a will of his own proves it."

The saddest story of betrayal concerns Husserl. In a 1933 letter, Husserl discussed people who had disappointed him. "... the most recent, and the most hurtful, being Heidegger: what hurt me most was the fact that I had put my trust, for reasons I no longer fully understand myself, not just in his talent, but also in his character."

Referring to Heidegger's public joining of the Nazi party, Husserl went on: "Before this he broke off all relations with me (and very soon after his appointment) and in recent years has allowed his anti-Semitism to come increasingly to the fore, even in his dealings with his group of devoted Jewish students and his faculty colleagues." Husserl died in 1938.

Ott's highly readable, informative and balanced book is an excellent one-stop volume for anyone without a philosophy background who wants to understand more about the players and issues in the debate that surrounds Heidegger.

International Herald Tribune

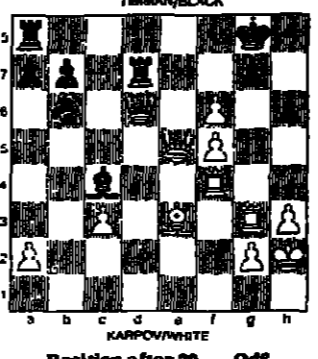
CHESS

By Robert Byrne

I N their own version of the world championship Anatoly Karpov challenged Jan Timman with a rarely played move that led to his victory in Game 6 in Amstelveen, the Netherlands. Then Timman countered with his own Vienna Variation homework and made a draw in Game 8. The keynote of the Vienna Variation is the capture 4...d5, with the plan of yielding Black's strong point in the center and later counterattacking with ...e5. As in the Queen's Gambit Accepted, in Karpov's triumph on September 14, Timman would surely have been happy to have Karpov try 7...e5 8...Qe4 Ne6 9...0-0 Bd7 10...Ne4 Bc7 11...f3 12...Bb4 Re8, but this tactically tortuous path was too insecure for the Russian.

After 9...Qa5, Karpov did not continue in the main line, which would have required a pawn sacrifice with 10...Bb5 Nb6? 11...Bf6 Qc3 12...Kf1 g4, for two reasons: he doesn't like to venture even prepositional gambits and he believed that Timman might not be well prepared against the rare 10...Nb5.

It wasn't until Game 8 that Timman discovered a counterattack with 10...Ne4? 11...Qd4 0-0? 12



Position after 29 ... Qd8

Qe4 36 13 Be7 ab 14 Bb4 Qc7 15 Bb5 Bd7!
 Timman's defensive 10...Bd7? 11...Nb5 Ke7 let Karpov build a strong position with 12 Qd2 Bc3 13 f4 Nb4 14 Rd1 Rhd8 15 Qd4 (but not 15...e5? Ne5! 16 fe Qe5 17 Be2 Rd6). Timman could not mix it up with 15...e5? because 16 Nf5 Kf8 17 Qd6 Kg8 18 Bf7? Kh8 (18...Kf7? 19 Qe7 Kg8 20 Qg7 Kh5 21 Qh6 Kg4 22 Qh3 Qd6) 19 0-0 Ne4? 20 Bd8! wins for the White.

On 19 0-0, Timman should perhaps have tried 19...f5, although 20 ef Nf6 21 Qe5! is powerful for White. But his 19...Qe4? was a

blunder that cost him a tempo after 20 h3! He could not go through with 20...Qf4 because 21 Nf7! Qd4 22 Bd4 Rf8 23 Nh6 Ke8 24 Nf7 Ke7 25 Bd3 Rf8 26 Bg6, threatening 27 c4 and 28 Be3, is crushing.

Karpov moved in on his helpless opponent with 21 f5! Kg8 22 Rd3 N7b6 23 Bd5 Bd5 24 Rg3. Timman could not play 24...ef? and permit 25 e6! g6 26 Nf7.

As a last act of desperation, Timman played 26...f6 27 ef e5 28 Qe3 Qd1 29 Kh2 Qd6 to win a piece and Karpov annihilated him with 30 f7! After 30...Kf7 31 Qg7 Ke8 32 Qh8 Ke7 33 Re4, Timman had no wish to be subjected to 33...Be6 34 f6 Kf7 35 Qg7 Ke8 36 Qg8 Qf8 37 Re6 Re7 38 Re7, so he gave up.

QUEEN'S GAMBIT DECLINED

White	Black	White	Black
1 0-0	17 Bf2	17 Bf2	Kf8
2 c4	18 e6	18 e6	Nb6
3 Nf3	19 c5	19 c5	Qc3
4 Nc3	20 Bb4	20 Bb4	Qc3
5 e4	21 Bc5	21 Bc5	Nf7
6 Bc4	22 Bb5	22 Bb5	Bd7
7 Bb4	23 Bc6	23 Bc6	Bd7
8 Bc4	24 Bc3	24 Bc3	Be4
9 Bc4	25 Bb3	25 Bb3	Be4
10 Nbd2	26 Bb2	26 Bb2	f6
11 Nbd2	27 Bc2	27 Bc2	Qd6
12 Qe2	28 Bc2	28 Bc2	Qd6
13 Bc2	29 Qd6	29 Qd6	Qd6
14 Bc2	30 f7	30 f7	Kf7
15 Bc2	31 Qg7	31 Qg7	Ke8
16 Bc2	32 Qh8	32 Qh8	Ke8
17 Bc2	33 Re4	33 Re4	Re6
18 Bc2	34 f6	34 f6	Re6
19 Bc2	35 Qg7	35 Qg7	Re6
20 Bc2	36 Qg8	36 Qg8	Re6
21 Bc2	37 Re6	37 Re6	Re6
22 Bc2	38 Re7	38 Re7	Re6

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Nicaragua (International)	161
Paraguay	16
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Japan Party Backs Down On Army 747s

TOKYO — The anti-military Social Democratic Party, the largest party in Prime Minister Morihiro Hosokawa's coalition, gave in to the government on Monday to allow air force Boeing 747 jumbo jets to evacuate Japanese civilians during emergencies abroad.

Chinese Students Get Australian Residency

CANBERRA — The government granted permanent residency on Monday to 19,000 Chinese students who were given temporary asylum immediately after the 1989 crackdown on the pro-democracy movement in Beijing.

Killer of German Neo-Nazi Leader Gets 5-Year Jail Sentence on Retrial

DRESDEN — A former bordello owner was convicted by a state court Monday of the 1991 shooting slaying of a Dresden neo-Nazi leader and sentenced to five years in prison.

KOREA: Secret Funds

Continued from Page 1 trade with the North, and may have become millionaires. Chosen Soren officials declined to be interviewed about their financial links to the North.

Some Koreans in Osaka, however, offer a very different explanation. Much of the Japanese money flowing to Pyongyang is in effect a form of ransom, they said, to insure good treatment for relatives trapped in North Korea.

Roughly 800,000 Koreans live in Japan, making them by far the largest minority group in a country that habitually portrays itself as homogeneous. Only a small fraction, though, hold Japanese citizenship.



PROTEST IN BUCHAREST — Angry nuclear power workers gathering to protest funding shortages for the industry Monday.

CHINA: New Clinton Policy Aims to Halt Downward Spiral in Relations

Continued from Page 1 of weapons of mass destruction — was unbalanced and failing.

The signs of trouble included the imprisonment last summer of Chinese dissidents and the enactment of new travel restraints for labor leaders.

With Deng's health fading, the moderates were losing influence. "A senior American official said. "The xenophobic, nationalist types were making a comeback and the country was in a fairly inflexible mode."

man and other defense officials that Washington needed to open a direct dialogue with top officials of the Chinese army.

The "action memorandum" spelling out the need for more dialogue with Beijing was drafted at meetings of senior policymakers in July but did not reach Mr. Clinton's desk until August.

ATTACK: Germans Seeking Antidotes to Rightists

Continued from Page 1 has provoked more soul-searching than usual.

"This will have a devastating effect on the image of Germany in the U.S.," warned the Berlin daily Tagesspiegel. "And those who look on approvingly when only poor foreigners were mistreated will now have to realize that the bands of thugs with their shaved and hollow heads are not choosy when looking for victims."

The tabloid B.Z. ran an enormous headline — "Disgrace!" — and extensive coverage of the attack. The Berliner Morgenpost warned in an editorial that Germany faces international isolation if xenophobic attacks persist.

Daoyu, China's ambassador, in late September.

Secretary of State Warren M. Christopher met with Foreign Minister Qian Qichen in New York on Sept. 30, and Mr. Qian responded favorably to the gesture.

"It's geopolitics reasserting itself after the honeymoon with human rights," said James R. Lilley, a former U.S. ambassador to Beijing and former assistant defense secretary.

Assistant Secretary of State for Human Rights John Shattuck went to Beijing first, to symbolize that human rights still plays a central role in Clinton policy.

forms to more effectively prosecute violent youths. "The culprits are becoming younger and more brutal," Mr. Helmrich said. "Whole gangs attack defenseless individuals, brutally beating them until they're hospitalized or even stomping them to death."

The spokesman on domestic issues for the governing Christian Democratic coalition, Erwin Marschewski, said the quick release of four suspects demonstrated that Germany needs stricter detention laws.

"We have to consider whether our liberal criminal laws are still sufficient to deal with rightist and leftist radical tendencies," Mr. Marschewski said.

POLL: A New Isolationism in U.S.

Continued from Page 1 example being President George Bush's confrontation with Saddam Hussein before the Gulf War.

In addition, Times Mirror interviewed some 650 influential Americans in business, the arts, science, the media, in local and state government and in foreign affairs and national security.

The attitudes of this group differed in significant areas from those of the general public, but U.S. economic concerns remained a high priority. For example, while the public tended to view Europe as the region most important to the United States, influential Americans clearly selected Asia and the Pacific Rim, primarily for economic reasons.

The group of "influentials" were about as dissatisfied with U.S. and world trends as the general public, however. They were more likely to view China and Iran as posing the greatest danger to the United States, while the public named Iraq and Japan, along with China.

Those questioned among the influential Americans included the presidents of Fortune 1,000 companies; top religious, educa-

tional and cultural figures; leading governors and big-city mayors; and members of the Council on Foreign Relations, the International Institute for Strategic Studies and the National Academy of Sciences.

This group, questioned over the summer, tended to view nationalism, ethnic hatred and nuclear proliferation as the leading dangers for the United States overseas. As a group, they believe the United States now plays a less important role in the world than it did a decade ago but should be first among equals as it shares global leadership with other nations. Fewer than one in 10 believes the United States should be the sole world leader.

The influential Americans also listed strengthening the domestic economy as the top U.S. foreign policy priority. By a very large majority, the group favored ratification of the North American Free Trade Agreement.

This group was more willing to approve of U.S. military involvement abroad, particularly if Iraq invaded Saudi Arabia, if North Korea invaded the south or if the Arabs invaded Israel.

SCANDAL: Judicial Rift

Continued from Page 1 light of what he had told us," said Gerardo Colombo, one of the most senior of the Milan magistrates.

Subsequently, however, magistrates in Rome took over the inquiry, and one of them, Maria Cordova, issued the arrest warrant, saying that "new facts" had emerged, possibly contradicting Mr. De Benedetti's earlier statements.

By his account of events in an interview published Sunday in La Stampa, a Italian newspaper, Mr. De Benedetti's lawyers had been trying to contact Miss Cordova to say that he was ready to talk to the Rome magistrates. "But they couldn't find her" before the arrest warrant was issued, Mr. Mele said. "I think she's in Calabria at the moment," he said.

The arrest warrant has inspired a press campaign by Mr. De Benedetti's lawyers and company officials insisting that he is ready to talk to the Rome magistrates. But they have not said where he is or when he will return.

On a broader issue related to the bribery scandal that has discredited Italy's political and business elite, Mr. Colombo said Italy's months of investigation could turn out to be futile unless suspects were brought to court.

Speaking to a magistrates' conference in Tuscany on Sunday, the investigator said Italian law provided for cases to lapse if there was no verdict five years after charges were first brought.

Kohl Ally Asks Bonn to Forgo Federal Europe

BONN — On the day the European Community's Maastricht treaty came into force, an important conservative ally of Chancellor Helmut Kohl said Germany should abandon its cherished ideal of a federal Europe.

In an interview to be published in the Tuesday issue of Süddeutsche Zeitung, the Bavarian state premier, Edmund Stoiber, said Mr. Kohl's vision dated from a time after World War II when "to be German was often seen as a burden."

Mr. Stoiber said his party had given up the idea of a European federal state, even as a long-term goal, and that opinion in Mr. Kohl's party was going the same way. The federal ideal had been discredited, he said, by "centralistic rulings going down to the last detail."

EDUCATION DIRECTORY

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Advertisement for the special section EUROMANAGERS, featuring Brooke Pilley in Paris.

Handwritten Arabic text at the bottom of the page: "سكوا من الأصل"

Raise the Tents: N.Y. Fashion Comes of Age Out With Supermodels And In With Real People

By Suzy Menkes
International Herald Tribune

NEW YORK — A great gust of change has blown through Seventh Avenue fashion. Out are supermodels, body-conscious

sexiness and showroom presentations. Up have come two big tents, pitched beside New York's Public Library, uniting American fashion designers under canvas for the first time.

The spring-summer 1994 shows mark the coming of age of American fashion as designers receive the same showcase as their European counterparts. And in the big top Monday came a silver moment: Richard Tyler took his bow for the first collection he has designed for Anne Klein. The sportswear company celebrated its 25th anniversary with the fresh and youthful show by the Australian-born Tyler, 46, who has made his home in Los Angeles and built a star-studded clientele, from Diana Ross to Julia Roberts.

Two gutsy New York designers — Donna Karan and Calvin Klein — expressed a streetwise, sporty Manhattan style as they showed secondary lines on Sunday —

appetizers to the collections they will present Friday. A schoolgirl freshness — all short skirts and sneakers — and a sporty energy were the focus of the shows, which were shown on models, male and female, who looked like regular young folk, rather than the super-nice that has been dominating the runways.

The general feeling is that fashion has been cut down to size: simple clothes that could walk right out on the street, fresh, fun and sometimes funky. Tyler's Anne Klein collection caught the mood. His show was about the cut and the forward thrust of fashion. His specialty is tailoring, learned at his father's knee in Melbourne, where she made dance costumes. Tyler tailored precisely, but lightened up the clothes, using the finest, gauziest fabrics so that even sleek riding jackets became as light as shirts. This lightness was the strength of the show, even if some of the dresses seemed a bit flimsy and whimsy. The show opened with jackets layered over brief pleated skirts, mixing blacks and monkish browns, including a superfine chocolate wool that Tyler claimed is actually used for nuns' robes.

As a counterpoint to the tailored clothes in faint plaids or rough ethnic-looking linens, there were breezy dresses, the hems cascading into chiffon points at either side, sometimes weighted with beads like tiny droplets of water. Lacy, openwork knits, often baring the midriff, were layered with dresses and separates. The effect was airy, young and, with the models' straggly hair and clumpy feet, Tyler managed to take American sportswear almost back to the age of innocence. Without being a great fashion moment, it was a good debut.

Calvin Klein's models at his CK show were also innocents — and not just because walk-like Kate Moss came out wearing white ankle socks and braids and Carolina Herrera (the designer's daughter) was on the runway. Most of the members of the larger cast were first-time models striding out in cropped T-shirts over brief skirts, gossamer-light sweaters slipping over shorts, gauzy chiffon dresses or apron-wrap skirts.

"They're real people and that's the point," said Klein after the show, which opened with film clips

from his ads featuring the glossy perfection of beautiful bodies.

"We cast these people from the street, from restaurants, from clubs," he said of the new looks on the runway. "They are for real — just the great-looking people I want to see wearing the clothes."

Those clothes were not mold-breaking: simple pieces that are around in fashion, with a few too many bare midriffs and hipster puns and not enough innovation in fabric. But in an era when fashion is a lot about attitude, the CK show seemed right, with its simple, wispy hair, plain faces and sandaled feet. The underwear that is a Calvin Klein success story came out for both sexes: his as low-slung underpants and tank-tops on muscle-men bodies; hers as mesh tops and briefs over tiny G-strings. The athletic grace of the women managed to take the sleaze out of sheer and made a strong finale.

SPORT was the story at the DKNY (Donna Karan New York) show, where mimikits swung down the runway, racing stripes and logos were blazoned on athletic pieces and dresses looked like mermaids' diving suits.

Karan seemed eager to send out messages for modern women. The show opened dramatically with what looked like a Wall Street Lolita marching in front of a phalanx of plain-suited business men. It also featured a heavily pregnant model, Giselle, outlined in stretch clothes. But the show's real message was about feminizing sportswear: classic, pleated short skirts, crisp tailoring, edged with a frill of broderie anglaise, dusty peach or blue pastels amid soft beige. Freedom was also a story: the easy stride of brief shorts under ankle-length coats or the hefty shoes and sneakers that gave a modern proportion to short hemlines under long jackets or to the long, light dresses and lacy knits.

Although the Totòs in the early shows has been on short hemlines, at the Go Silk show Sunday, designer Gabriela Valenzuela concentrated rather on light layers — a vest or gauzy bandeau over a cropped top and soft pants, or jackets and knits in rough ethnic textures and natural colors.

Fern Mallis of the Council of Fashion Designers of America calls the centralized location for the shows a "totally outstanding moment for American fashion. Are the tents really a sign of newfound confidence and elation? They were inaugurated last week at a party given by The New York Times to celebrate 50 years of its magazine's fashion coverage. Designers attending praised the new deal.

"I'm thrilled," said Isaac Mizrahi. "It broadens the whole thing — even if it is just a myth, it is the importance of packaging."

"I'm very proud," said Ralph Lauren. "The idea of the tents and the concentration of fashion is wonderful. It is easy to see and energetic, and it puts it together and focuses it — even if personally I love to show in the intimacy of my own showroom. But that is because I don't want to do fashion for fashion's sake."

Lauren's new statement is the sports street he has opened on Madison Avenue, where a roaring log fire (fake) makes a vivid backdrop to the authentic ski-wear and active sports clothes that have made the shop a magnet for the hip and the hearty. With an unerring instinct for the mood of the moment, Lauren has also created a section of rugged home-on-the-range clothing, which



Richard Tyler, left, and his chiffon dress and lacy cardigan for Anne Klein; DKNY's striped dress, checked vest and long jacket, center, and CK's print dress over bra.

Boots and Suits: Mixed Menswear Message

By Dan Shaw
New York Times Service

NEW YORK — Like ascots, pinkie rings, jodhpurs and overalls, cowboy boots look right on only certain types of men. They are the male equivalent of stiletto heels; what makes one man kind of macho can make another fellow look really ridiculous.

Over the years, they have been worn, with mixed results, by everyone from George Bush and Bill Clinton to Robert Redford and Kevin Costner.

That Joey Buttafuoco would wear a pair of black-and-white snakeskin cowboy boots to court to plead guilty to statutory rape in his affair with Amy Fisher, the Long Island Lolita, was as predictable as it was, perhaps, inappropriate.

But maybe he should be forgiven. Buttafuoco, after all, was only doing what Ralph Lauren does. The designer has been wearing cowboy boots to black-tie events for nearly 20 years.

Though it has always seemed as though Lauren was mixing metaphors by matching cowboy boots with his preppy-inspired, British-influenced clothing, the conceit is, in fact, borrowed from prep-school students — America's true leisure class and the avatar of Lauren's fashion philosophy.

Prep-school students, forced to wear blue blazers and ties, could express their individuality and rebel against the system (just enough not to jeopardize their chances of get-

ting into the right college) merely by not wearing penny loafers.

Hiking boots, riding boots or L. L. Bean boots were always acceptable alternatives, because they were in keeping with the prep-school spirit, which barely distinguishes between academic and athletic accomplishment.

Now, Lauren and others are getting inspiration from working boots.

Lauren's current magazine advertisements pair black engineers' boots with a banker's pinstriped suit — not really such a farfetched combination. Indeed, it's the sort of thing that may be worn by media executives like Jann Wenner or David Geffen, who spend as much time in boardrooms as backstage at rock concerts. As these men and Lauren know, when you run the company you can wear whatever you please.

The MTV generation and the baby boomers profiting from it are redefining the lexicon of power dressing.

Gucci loafers, for instance, were the status shoe when the automotive emblems of success were Jaguars, Mercedeses and BMWs. But now that Range Rovers, Ford Explorers and other four-wheel-drive vehicles are the cars of choice among the entrepreneurial elite, well, the driving shoes to match must be just as brawny.

FEW men will sacrifice their masculinity for the sake of fashion. And wearing boots — whether they were originally designed for hiking, for fishing or for riding



more fluid than traditional men's wear, with a dose of virility.

"It's a natural progression from the Doc Marten trend," said Michael Altmore, the editorial director of Footwear, a trade publication. "Men like tough, inexpensive accessories that protect them from the outside world."

The makers of blue-collar boots were caught off guard by the sudden popularity of their product with the nontraditional customer.

"It was a surprise when it first hit," said Tommy Morrison, a vice president in marketing at Georgia Boot Inc. in Franklin, Tennessee, which has been making lace-up pole-climber and logging boots for 51 years. (Pole climbers are worn by telephone- and power-company linemen, and have two-inch heels to keep the workers from losing their footing on the job.)

"In January, the market exploded," Morrison said, noting that sales of pole climbers and logging boots over the last 12 months had increased 40 percent. "The fashion customer came to us." Even Bloomingdale's and Nordstrom are selling Georgia Boots.

A few seasons back, he said, Ralph Lauren borrowed some Georgia Boots, which retail for \$90 to \$139, for a runway show. Now Lauren is selling his own version at his Polo Sport store on Madison Avenue for \$249.

Sales of pole climbers and logging boots are up 40 percent at the Chippewa division of the 114-year-old Justin Boot Co. of Fort Worth, Texas.

"We're like, 'Holy smoke! This is great!'" said Ken Schaefer, the di-

rector of advertising, who cited both the grunge phenomenon and Madonna (who was photographed in a pair of Chippewa in her book, "Sex") as helping to spur sales. He said the company is wary of pursuing the fickle fashion customer.

For now, the work-boot look works only in fashion-conscious cities like New York, Los Angeles or London. Morrison, of Georgia Boot, for example, can't wear his company's boots with his business suits.

"We have a dress code," he explained, "and we can wear them on Fridays — our 'casual' days."

Philip Palermo, a fashion designer who divides his time between New York and San Francisco, bought a pair of Georgia Boots eight years ago and has worn them practically every day since.

"I was attracted to them because they looked like objects instead of shoes," he said. "And they're so damn comfortable."

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- Europe's massive state phone monopolies.
- Performance of companies after being privatized.
- Financing the purchase of companies worth billions of dollars.

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Herald Tribune

BUSINESS

International Herald Tribune, Tuesday, November 2, 1993

More U.S. Data Show Economy Flexing Muscle

Compiled by Our Staff From Dispatches
NEW YORK — Two important indicators of future economic activity posted strong gains Monday, in a further sign of an upturn in the U.S. economy.

The National Association of Purchasing Management reported that its index for October, which had declined for four months, leaped to 53.8 percent from 49.7 percent in September.

At the same time, the Commerce Department said construction spending rose 0.8 percent in September, amid strength in the housing industry, to a seasonally adjusted annual rate of \$471.3 billion.

Analysts said the rise in the purchasers' index confirmed other recent signs that the U.S. economy was strengthening. "On balance, it's a welcome sign for the economy," said Mike Niemira, an economist with Mitsubishi Bank in New York.

The survey, which covers 250 purchasing managers in 21 industries, reported that activity had picked up last month in 15 of the industries surveyed. The reading on the index was the highest since 55.8 percent in February. A figure above 50 percent indicates that the manufacturing sector is expanding.

"A surge in new orders provided the fuel for significant improvement in the overall economy and a sharp

reversal in the manufacturing sector toward healthy growth." Robert J. Bretz, chairman of the group's business survey committee, said.

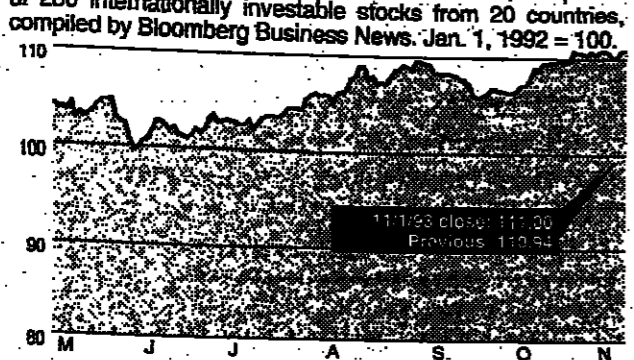
The increase in construction spending, which was led by a rise of 1.7 percent in spending by public agencies, was the fifth consecutive monthly advance, the longest uninterrupted rise since 1987.

The Commerce Department said that construction by private companies in September was estimated at an annual rate of \$341.6 billion, a rise of 0.5 percent from August.

"The fundamentals in the housing market are reasonably favorable," said Robert Diehl, an economist at Northern Trust in Chicago. (A.P., Knight-Ridder, Bloomberg)

Capital Cities Buying Back 12% of Stock

U.S. Trade Office Skimps Its \$20 Million Budget Is Called Small



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Asia/Pacific			Europe			N. America		
Approx. weighting:	25%		Approx. weighting:	40%		Approx. weighting:	35%	
Close:	129.89	Prev.: 129.16	Close:	106.18	Prev.: 106.63	Close:	85.90	Prev.: 85.83

Industrial Sectors			
Sector	Min. Close	Max. Close	% Change
Energy	110.00	110.19	-0.17
Utilities	116.51	116.61	-0.26
Finance	120.67	120.79	-0.10
Services	120.42	120.62	+0.33
Capital Goods	106.34	106.62	+0.88
Raw Materials	105.48	105.77	-0.27
Consumer Goods	93.50	93.62	-0.13
Miscellaneous	123.09	122.00	+1.55

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92927 Neuilly Cedex, France. © International Herald Tribune

Compiled by Our Staff From Dispatches
NEW YORK — The communications giant Capital Cities/ABC Inc. announced Monday that it would buy back up to 12 percent of its stock for as much as \$1.26 billion.

The diversified media company, which owns the ABC Television Network and other broadcast, cable TV and publishing properties, said it had considered acquisitions but that no major ones were available "at prices the company believes would result in attractive returns for its shareholders."

The company has been sitting on an enormous pile of cash and had been mentioned as a possible suitor of Paramount Communications Inc. "It's not unlikely that it will do that," said Dennis McAlpine, research director at Josephthal Lyon & Ross. Both Viacom Inc. and QVC Network Inc. have offered about \$10 billion for Paramount.

Capital Cities/ABC also said that Chairman Thomas S. Murphy would succeed the retiring Daniel Burke as chief executive next year, a move that prolongs the question of who eventually will run the communications conglomerate.

Mr. Burke and Mr. Murphy have headed Capital Cities/ABC for more than 20 years, building it into a company with more than \$5.3 billion in revenue. But Mr. Burke has long indicated he wants to retire when he reaches age 65 on Feb. 4, 1994, while Mr. Murphy is 68 and has given no sign he plans to retire.

The move will give the company time to evaluate the performance of executives who have recently taken on key positions.

In the share buyback, the company said it would conduct a so-called Dutch auction, or reverse auction, tender offer for up to 2 million of its shares for between \$50 and \$630 a share. The stock rose in response by \$6.375 to \$616. (A.P., Bloomberg)

By Keith Bradsher
New York Times Service
WASHINGTON — When negotiators with the office of the U.S. trade representative planned a trip to Japan last year, they had to choose between taking a lawyer or a translator because their travel budget was too small for both. When the trade representative, Mickey Kantor, flew to Brussels in March, he slept in coach class because of the limited money for travel.

And when George Bush's agriculture secretary, Edward R. Madigan, left a dinner of consommé and finger sandwiches given by the trade office last fall, he complained while stepping into his limousine: "We've just been treated to an evening regatta."

Not everyone thinks the trade office needs less money and staff. Mr. Kantor himself is the most vocal opponent of expansion. "The answer you're supposed to give in Washington is you want more people, more money," he said. "I'm not sure that's true."

In fact, Mr. Kantor said he thought the small size made his office more efficient, because every week he was able to see almost everyone who works there.

But a growing number of current and former U.S. trade officials said that the lack of staff members and federal money is

costing the United States billions of dollars and tens of thousands of American jobs because of lost exports. Yet President Bill Clinton has not added positions, but has cut them instead, in large part because of squabbles over whether the White House staff has become bloated.

The Office of the U.S. trade representative, the main trade negotiator, has a budget of \$20 million and a staff of 157, making it smaller than many international law firms that lobby it. The staff has remained virtually unchanged for five years, even as exports rose 76 percent and accounted for three-quarters of U.S. economic growth over that period.

Some current and former trade officials, speaking privately, said that tight-fisted approach had hurt the nation because the office deals with matters that require close scrutiny and problems are almost always obscured by a mass of details.

The small staff forces the agency to pick and choose which foreign trade barriers to challenge, with some matters being postponed for months or years. Officials also contended that the staff's size has hurt the North American Free Trade Agreement's political prospects.

Joseph Massey, an assistant trade representative under President Bush, said keeping the staff at essentially the same size for

five years had also hindered Washington's ability to develop business and consumer allies overseas to put pressure on recalcitrant governments, an approach the Japanese have used with considerable success.

"Our inability to move from the negotiating table, government to government, into the board room to discuss trade did mean that billions of dollars in opportunities didn't get reaped," Mr. Massey said. "You need domestic allies who matter, to get the government to change its policies."

Michael H. Moskow, who was the deputy U.S. trade representative for Asia until early this year, said American officials had made contacts on a few high-profile issues, such as computer chips and cars, but lacked the resources on other occasions.

One reason the trade office is small is that its principal task, as defined by the 1974 Trade Act that elevated the agency to cabinet level, is to coordinate policy-making with other agencies, from which it borrows heavily for expertise.

In addition, as part of Mr. Clinton's effort to pare the federal bureaucracy, the agency eliminated through attrition five of its 162 full-time positions for the fiscal year that began Oct. 1. As a result, the agency relies increasingly on 21 student interns and 52 officials borrowed from other agencies.

U.S. Is Assailed at GATT for New Demands

GENEVA — The United States came under heavy fire at a GATT meeting on Monday for what some countries argued was the introduction of new obstacles to agreement on a long-delayed world trade treaty, diplomats said.

Peter Sutherland, chief of the international trade watchdog, told the meeting that a global accord was within grasp, but he also used the occasion to call on the European Community and United States to stop squabbling and settle differences to clear the way for a treaty.

According to the diplomats and trade sources, both developed and developing states in the seven-year Uruguay Round negotiations fiercely criticized a newly formulated U.S. stance on taxation and financial services.

"There is a strong feeling in the U.S. is putting the services negotiations at risk by staking out new positions at this stage," said one envoy whose country is generally closer to Washington than to Brussels in the talks.

The round, which has been negotiated under the auspices of the General Agreement on Tariffs and Trade since 1986, is facing a deadline of Dec. 15.

At negotiations over the past few days, trade sources say, Washington has insisted it could not allow its taxation laws to be subject to scrutiny by an outside body. This would be the case if a widely supported text for a services accord were accepted.

U.S. negotiators have also said they could not agree to opening up their domestic market in financial services to countries which do not open up on their own.

Trade sources said Latin American countries told the meeting, which was a session of a steering committee, that such a stand could lead them to close down their own markets which they had already partly opened.

Volvo Revolt Delays Vote On Renault

AGENCE FRANCE-PRESS
STOCKHOLM — Facing a growing shareholder revolt over the terms of its merger with Renault SA, Volvo AB said Monday it would put off a crucial shareholders' meeting on the deal by a month.

The board moved the meeting from Nov. 9 to Dec. 7 to allow more time to study the merger, in response to criticism of the deal in Sweden by unions and stockholders.

"A golden share" deal has been the source of the controversy. It allows a possible cut-back of Volvo's voting rights from 35 percent to 20 percent to ensure continued French control of Renault-Volvo in case of a dissolution of RVC, the future group's holding company.

Also Monday, an advisory group within the Trygg-Hansa insurance group said it would recommend that its board vote against the Renault-Volvo merger plan. Trygg-Hansa controls 1.1 percent of the votes in Volvo.

Thinking Ahead Save Mr. Chrétien From Himself

By Reginald Dale
International Herald Tribune
WASHINGTON — Somebody should get Jean Chrétien off the hook before he does himself so much injury. In his first few days as Canadian prime minister-designate, Mr. Chrétien is foolishly letting the impression take root that he will not give his final assent to the North American Free Trade Agreement unless it is first "renegotiated" — a demand that's impossible to fulfill in any meaningful sense of the term.

Raising false expectations is dangerous for any politician — and quite unnecessary for one who has just won spectacularly at the polls. The first thing Mr. Chrétien should do is to kill that word "renegotiate" and look for a way out. If not, he risks stoking the fires of protectionism on both sides of the Canadian border.

In some ways, there are remarkable parallels between Mr. Chrétien's today and the newly elected Bill Clinton at the beginning of this year. Mr. Clinton also came to office pledging to negotiate changes in NAFTA to appease domestic political pressures.

Mr. Clinton got away with negotiating a couple of relatively harmless "side agreements" covering environmental and labor problems, after which he said he could endorse NAFTA. The same Mr. Clinton is now brushing aside Mr. Chrétien's request to re-open the agreement — as is Mexico.

To judge from his election campaign, Mr. Chrétien apparently wants to negotiate new rules on subsidies, countervailing duties and anti-dumping action that would stop Washington from interfering unfairly with Canadian exports. And he wants to see if Mexico has somehow gotten a better deal than Canada on safeguarding its energy supplies.

At first sight, it seems childish of Mr. Clinton not to give Mr. Chrétien the same room for maneuver that Canada and Mexico allowed him. Mr. Chrétien's requests are not unreasonable in themselves.

But there is one big difference. Mr. Clinton has nearly a year to negotiate his face-saving formula. For Mr. Chrétien, the window of opportunity is about to slam shut.

With NAFTA due to come into force on Jan. 1,

Mr. Clinton is battling frantically to get it ratified in the next couple of weeks. And the last thing he needs is a suggestion that the text he is plugging so hard might not actually be the final version.

Anti-NAFTA campaigners in the United States are already exploiting, and distorting, Mr. Chrétien's position in a bid to whip up further American opposition.

If the U.S. Congress votes NAFTA down, there will obviously be nothing left for Mr. Chrétien to renegotiate. But if Congress passes NAFTA — after all Mr. Clinton's efforts — it will no longer be politically possible to make significant changes.

If Mr. Chrétien persists in his demands, he might be able to secure some kind of additional "understanding" so vacuous that it need not be resubmitted to Congress. But that would hardly qualify as "renegotiation."

So he might find himself obliged to withhold final assent to NAFTA, at the risk of plunging Canada into economic and political crisis. The bilateral U.S.-Canadian Free Trade Agreement would then probably become the target for Canada's protectionists.

Of course, Mr. Chrétien could forget about "renegotiating," give his assent to NAFTA and try to find a way of pursuing his demands later on. But that course is not without problems either: Washington would inevitably come up with its own counterdemands, and Canada might finish up with a worse deal than it has now.

There is a way out. Most of the points Mr. Chrétien has raised are also at issue in the Uruguay Round, now heading fast toward its mid-December deadline. If the round succeeds, Mr. Chrétien could claim credit for ensuring that Canada's interests had triumphed, rendering NAFTA renegotiation superfluous.

If the Uruguay Round failed, of course, it would make even less sense for Canada to risk isolating itself from its biggest and closest trading partner by putting NAFTA in jeopardy. On the contrary, Mr. Chrétien could argue that with the world trading system facing serious instability, NAFTA looked suddenly much more attractive.

But Mr. Chrétien should not wait for others to get him off the hook. He should slide gracefully off it himself while there is still time.

New Film Lifts Xerox, Hurts Silver

Compiled by Our Staff From Dispatches
NEW YORK — Xerox Corp.'s announcement Monday that it had developed a revolutionary new photographic film strengthened its shares, weakened those of Eastman Kodak Co. and sent a shiver through the silver market.

Xerox said it had produced a film that uses heat but no chemical products, such as silver halide, to develop images.

Called VerdeFilm, the product will be targeted initially at such commercial users as newspapers and magazines. The film does not need to be protected from light or developed in a darkroom.

Xerox shares gained 75 cents on the New York Stock Exchange to close at \$60. Shares in Kodak, the world's leading maker of traditional film, fell \$1.125 to \$61.75.

An ounce of silver for December delivery was down about 14.2 cents to \$4.23 on the New York Commodity Exchange. Gold for December was down \$7.50 to \$362.10.

"This is probably the start of a trend toward silver-free film," said William O'Neill, chief futures strategist at Merrill Lynch. "The concern is justified." (Bloomberg, Reuters)



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Cross Rates

City	1 D.M.	1 £	1 Yen
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London	1.000	1.000	1.000
Paris	1.666	2.000	1.750
Sydney	1.280	1.580	1.380

Eurocurrency Deposits

Term	Rate
1 month	3 3/4%
3 months	3 1/2%
6 months	3 1/4%
1 year	3 1/2%

Key Money Rates

Country	Rate
U.S. 1-year	5.5%
U.S. 6-month	5.25%
U.S. 3-month	5.0%
U.S. 1-month	4.75%
Japan 1-year	5.5%
Japan 6-month	5.25%
Japan 3-month	5.0%
Japan 1-month	4.75%

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MARKET DIARY

Strong Data Lift Dow to a Record

Bloomberg Business News
NEW YORK — Stock prices gained Monday as a rally led by International Paper and Philip Morris lifted the Dow Jones industrial average to a record close. Shares also received a boost from strong U.S. economic data, as the National Association of Purchasing Management said manufacturing activity rose in October to the highest level since February.

ing the stock market's rise, according to Institutional Brokers Estimate System Inc., a unit of Citicorp. The firm said third-quarter earnings announced so far have averaged 5.4 percent higher than analysts' estimates and 19.6 percent higher than year-earlier earnings. Timothy Connors, head of equity services at CoreStates Investment Advisers, which manages about \$2.6 billion, said the Philadelphia-based firm is buying shares of companies it expects to report strong earnings growth. Current favorites, he said, included Federal National Mortgage Association, Weyerhaeuser and Sara Lee.

Dollar Gains as Traders See Momentum in U.S.

Compiled by Our Staff From Dispatches
NEW YORK — The dollar rallied Monday against most other major currencies, rising to a 10-week high against the Deutsche mark, amid signs the U.S. economic recovery is picking up speed.

stock market declines, as it did Monday, the currency often gets a boost from short-term purchases of yen by investors parking cash from their stock sales. Investors often buy dollars after positive economic reports, betting that stronger growth will give the Federal Reserve the incentive to raise its key discount rate. Higher rates make dollar-denominated deposits more attractive.

Foreign Exchange

53.8 percent in October from 49.7 percent in September, was stronger than expected and prompted traders to buy dollars. "A lot of traders have been talking about steady growth in the U.S. for the past six months, and now they're starting to believe it," says Dennis Pettit, foreign exchange manager at Long-Term Credit Bank of Japan, said.

The dollar has risen 7 percent against the mark since Sept. 15, amid speculation that U.S. interest rates would remain steady or rise while the Bundesbank lowers rates to try to revive Germany's economy. The Bundesbank sparked a round of rate cuts in Europe on Oct. 21, when it lowered its discount rate to 5.75 percent from 6.25 percent and its Lombard rate to 6.75 percent from 7.25 percent. Many traders expect the bank to cut rates again year-end.

The Dow
Close Prev.
Dow Jones Industrial Average 10,250.14 10,225.50

NYSE Most Actives
Vol. High Low Last Chg.
IBM 1,824,500 108.00 107.25 107.75 +0.50

AMEX Most Actives
Vol. High Low Last Chg.
Mead 1,824,500 108.00 107.25 107.75 +0.50

NYSE Diary
Advanced Declined Total
1,479 1,241 2,720

AMEX Diary
Advanced Declined Total
1,479 1,241 2,720

NASDAQ Diary
Advanced Declined Total
1,479 1,241 2,720

Dow Jones Averages
Indus 10,250.14 +12.64
Trans 1,232.25 +1.25

Standard & Poor's Indexes
Industries 502.24 +1.81
Utilities 118.28 +0.18

NYSE Indexes
Composite 10,250.14 +12.64
Industries 502.24 +1.81

NASDAQ Indexes
Composite 1,479.50 +12.50
Industries 1,479.50 +12.50

AMEX Indexes
Composite 1,479.50 +12.50
Industries 1,479.50 +12.50

NYSE Most Actives (cont.)
Vol. High Low Last Chg.
Microsoft 1,824,500 108.00 107.25 107.75 +0.50

EUROPEAN FUTURES
Close High Low Prev. Chg.
S&P 500 2,850.00 2,860.00 2,840.00 +10.00

Commodity Futures
COCOA (LCE) 102.50 103.00 102.00 +0.50
WHEAT (CBOT) 2.10 2.15 2.05 +0.05

Stock Indexes
NYSE 10,250.14 +12.64
AMEX 1,479.50 +12.50

U.S. FUTURES
Soybean 48.00 48.50 47.50 +0.50
Wheat 2.10 2.15 2.05 +0.05

U.S. / AT THE CLOSE

Blockbuster, Sony and Pace Set Deal
NEW YORK (Reuters) — Blockbuster Entertainment Corp., Sony Corp. and Pace Entertainment Corp. said Monday they were forming a partnership to develop and operate musical concert amphitheaters. Financial details were not available.

Douglas Shares Soar on Profit News
NEW YORK (Reuters) — McDonnell Douglas Corp. shares soared Monday after the company reported a net profit of \$142 million for the third quarter, reversing a loss of \$42 million a year earlier.

Dallas Firm to Buy Heileman Brewer
DALLAS (AP) — The investment firm Hicks, Muse & Co. said Monday it had agreed to pay \$390 million for G. Heileman Brewing Co., one of the nation's leading beer makers, whose brands include Lone Star, Rainier and Colt 45.

Coors Earnings Drop 59% in Period
GOLDEN, Colorado (Bloomberg) — Adolph Coors Co. said Monday that its third-quarter earnings dropped 59 percent because of a surge in costs associated with the marketing of Zima, its new clear malt beverage.

For the Record
CompuLink Computer Corp. unveiled 46 desktop personal computers Monday, for business users as well as for consumers seeking discount models with multimedia capabilities.

Weekend Box Office
LOS ANGELES — Tim Burton's "The Nightmare Before Christmas" topped the U.S. box office last weekend. Following are the Top 10 moneymakers based on Friday ticket sales and estimated sales for Saturday and Sunday.

Aluminum Prices Touch Lowest Level in 8 Years

LONDON — Aluminum prices fell Monday to their lowest levels in eight years amid an oversupply that shows no sign of easing, analysts said. Stocks of the metal are already at record levels and a flood of Russian aluminum has ensured that consumers are well supplied, despite cuts by some Western producers earlier this year.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Helsinki, Hong Kong, Frankfurt, Johannesburg, Montreal, London, Sao Paulo, Tokyo, Singapore, Stockholm, Sydney, Zurich, Toronto, and Moscow.

Sao Paulo

Table of Sao Paulo stock market data.

Tokyo

Table of Tokyo stock market data.

Singapore

Table of Singapore stock market data.

Stockholm

Table of Stockholm stock market data.

Sydney

Table of Sydney stock market data.

Zurich

Table of Zurich stock market data.

Toronto

Table of Toronto stock market data.

Moscow

Table of Moscow stock market data.

Table of U.S. Futures including Soybean, Wheat, Corn, and various options.

Table of Metals including Gold, Silver, and various metal prices.

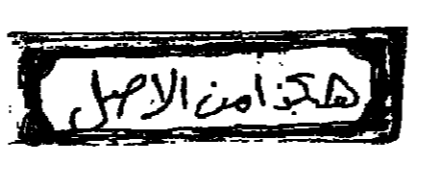
Table of Livestock including Cattle and Hog prices.

Table of Financial markets including Treasury Bonds and Futures.

Table of Stock Indexes including S&P 500, NYSE, and AMEX.

Table of Commodity Indexes including Wheat, Soybean, and other commodities.

Table of Stock Indexes and Commodity Indexes with detailed price movements.



VW Holds Talks With Mercedes

International Herald Tribune
FRANKFURT — Volkswagen AG and Mercedes-Benz AG are discussing the possibility of sharing parts for a future utility van...

Prague Holds to Its Hopes

By John Pomfret
Washington Post Service

PRAGUE — With the second-lowest unemployment rate in Europe, booming exports and the most foreign investment per capita in Eastern Europe...

compared with the upheavals experienced by their counterparts in Warsaw, Budapest and the Slovakian capital, Bratislava.

But now, according to economists and businessmen, the time has come for the Czech Republic to face some of the inevitable consequences of that transition...

'So far, he's done a great job of keeping the wolf from the door.'

A Western diplomat, speaking of Prime Minister Vaclav Klaus

being industrial giants of his Communist past.

For Prime Minister Vaclav Klaus, the challenge is to keep the republic on its free-market course, yet avoid the pitfalls that have undermined support for these measures in other parts of Eastern Europe.

The Czech Republic's best weapon may be Mr. Klaus himself.

Union Leaders Back Cuts by Aer Lingus

Compiled by Our Staff From Despatches

DUBLIN — Aer Lingus said Monday it had met a Sunday deadline to reach an accord with union leaders on a cost-cutting plan...

Aer Lingus plans to eliminate 1,100 of its 7,500 jobs through voluntary severance packages, while implementing new work rules...

The deal would lower labor costs by 21 million punts (\$29.5 million) and save another 29 million punts through reductions in nonpayroll costs...

The carrier hopes the yearly savings of 50 million punts will help persuade the European Commission to allow a cash infusion of 175 million punts from the Irish government.

Dan Loughley, an Aer Lingus spokesman, said that before the rescue package could proceed, "the government must be satisfied with the authenticity of the savings" and officially enact the package.

Chairman Bernie Cahill called the agreement with the unions a reflection of "both parties' determination to reach agreement on the airline's strategy for the future."

GPA Rescue Takes Effect

The plan for a rescue of Ireland's GPA Group, the world's leading aircraft leasing company, by GE Capital has gone into effect...

GE Capital will pay \$1.35 billion for 45 aircraft already leased by GPA to airlines in order to increase group liquidity...

The restructuring agreement, concluded in May and finalized Sept. 23, was approved on Oct. 18 by GPA shareholders.

Escor AG Says Debtor Fails

Bloomberg Business News

ZURICH — Escor Germany, heavily in debt to Escor AG, the Swiss slot machine and game arcade group, has been declared bankrupt...

Escor AG said Escor Germany was working on solutions to minimize the impact on the Swiss company...

Escor AG sold its share in Escor Germany Holding AG, and Escor Germany Associates GmbH, to the companies' German management at the end of 1992...

Chairman Bernie Cahill called the agreement with the unions a reflection of "both parties' determination to reach agreement on the airline's strategy for the future."

British Telecom Steps Up Price War

Bloomberg Business News

LONDON — British Telecommunications PLC said Monday that it would cut the price of long distance telephone calls made in Britain during weekends starting Dec. 4...

Britain's market leader said the permanent reductions will mean that a three-minute, long distance phone call would cost only 10 pence (15 U.S. cents). Previously, customers were charged between 15 and 25 pence for the same call.

BT is under attack from rival Mercury Communications Ltd., which offers users a 10 percent to 20 percent discount on BT's charges...

percent discount on BT's charges, as well as from mobile phone operators who are offering free off-peak phone calls.

"They've got to make these cuts, but it makes life difficult for the competition," said John Tysoe, telecommunications analyst at Societe Generale Strauss Turnbull Securities Ltd.

Last autumn, regulators told BT that it must cut its charges by 7.5 percent below Britain's retail price index. Mercury, which is 80 percent-owned by Cable & Wireless PLC, vowed to lower its prices further in retaliation.

COMPANY RESULTS

Table with multiple columns listing company names (e.g., Decca Air, United States, American Intl, etc.) and their financial performance metrics for 1992 and 1993, including revenue, net income, and per share values.

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JOLT: Osaka Firm Fails

Continued from Page 1

lion yen in nonperforming assets would boost the bank's bad debt load by 15 percent, Ms. Daniels said. Daiwa, the ninth-ranking city bank and based in Osaka, officially says its nonperforming assets total 301.5 billion, she said, adding that her estimate put the figure at 1.3 trillion yen.

Nanto Bank estimates nonperforming assets of just 2.7 billion yen, less than one-tenth the amount lent to Muramoko.

"They're not in danger of bankruptcy," Ms. Daniels said, "but their profitability is going to be under pressure until they can wipe the bad debt off their books, which could be years."

For investment information read THE MONEY REPORT every Saturday in the IHT

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Investor's Europe. Frankfurt DAX, London FTSE 100 Index, Paris CAC 40. Includes line graphs for each index and a table of exchange rates and stock indices for various European cities.

Very briefly:
• Bas PLC said it agreed to acquire at least 34 percent of Prague Breweries, the second-largest brewer in the Czech Republic, for about \$9 million (\$13.4 million)...

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Introducing the German bank that is at home in international finance: WestLB. Includes an image of a classical building and the number 50. Text describes WestLB's 50-year history and international presence.

NASDAQ

Monday's Prices
 NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

(Table content is extremely dense and largely illegible due to image quality. It represents the main NASDAQ listing table.)

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Beijing - Hong Kong negotiations

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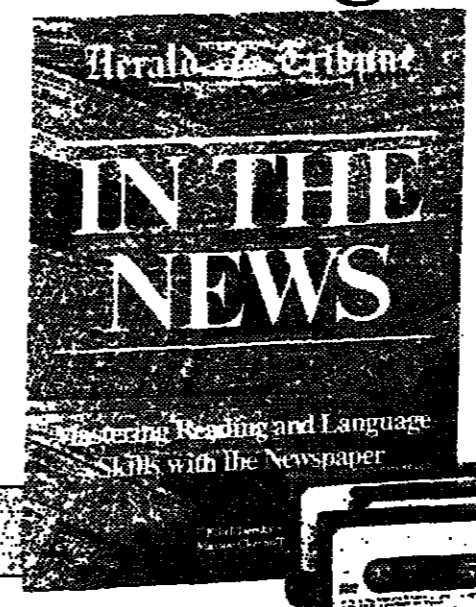
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AMEX

Monday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Div Yld PE 180 High Low Latest Chge

Table with columns: 12 Month High Low Stock Div Yld PE 180 High Low Latest Chge. Lists various stocks and their performance metrics.

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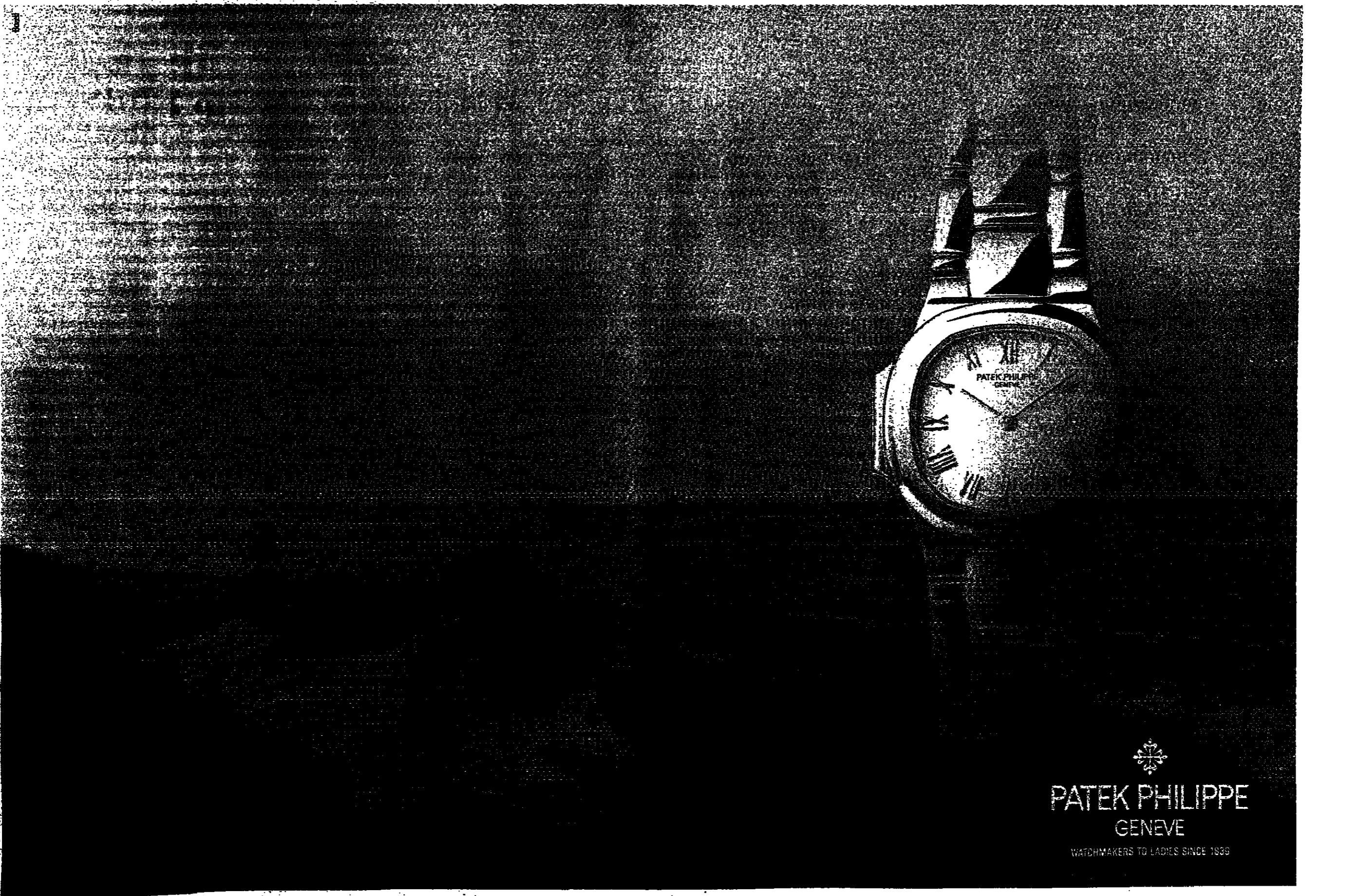
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Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Dividends are paid, deferred, or not in action. Dividend declared after split-up or stock dividend. Dividend declared or paid in preceding 12 months. Dividend in connection with stock split. Dividend declared after split-up or stock dividend. Dividend paid this year, omitted, deferred, or not in action. Dividend declared or paid this year, an accumulative issue with dividends in arrears. New issue in the past 52 weeks. The high-low range begins on next day delivery. P/E - price-earnings ratio. Stock split. Dividend begins with date of split. Stock sold in stock in preceding 12 months, estimated cash value of ex-dividend or ex-distribution date. Trading halted. In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such company when distributed. With warrants. Ex-dividend or ex-rights. Without warrants. Ex-dividend and sales in full. Sales in full.

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Business Channel Based in Singapore Goes on the Air

Reuters
SINGAPORE — A Singapore-based broadcaster went on the air Monday as Asia's first business and financial television network, but most home viewers here will be beyond its reach.

Asia Business News began 18-hour daily broadcasts, offering the latest financial news and analysis throughout Asia using Indonesia's Palapa-B2P satellite, said its general manager, Paul France.

Dow Jones & Co., one of the controlling shareholders, is using Asia Business News to establish its first network broadcasting presence in the region, alongside its print organs, the Asian Wall Street Journal and the Far Eastern Economic Review.

"Asia Business News distinguishes itself as an Asian-produced, Asian-based news service," Mr. France said. "Other regional broadcasters are producing their business news services from Europe or North America."

But in Singapore ABN faces a limited market because of a ban on household ownership of satellite dishes by a government desirous of

keeping control of incoming broadcasts. Financial institutions and embassies are allowed to have the devices, however.

Christopher Graves, managing editor of ABN, said his company was negotiating with the state Singapore Broadcasting Corp. for distribution of its programs in Singapore through SBC channels.

Dow Jones has a 29.5 percent stake in the network, as do Telecommunications Inc. and Television New Zealand Ltd.

Singapore's SIM Ventures Pte., jointly owned by SBC and the state investment agency Temasek Holdings, has 10 percent, while Hong Kong's Business News Network has 1.5 percent.

CNN Plans H.K. Bureau

CNN International will set up a reporting bureau in Hong Kong late next year and plans to transform it into a regional news center, Reuters reported from Hong Kong.

Tom Johnson, vice president of news for Turner Broadcasting System Inc., said the CNN bureau would be located in the studios of Wharf Cable.

Japanese Funds Propel H.K. Stocks

Analyst Sees Hang Seng Breaking 10,000 This Week

Compiled by Our Staff From Dispatches
HONG KONG — Share prices soared to another record Monday as foreign investors, particularly the Japanese, poured money into the Hong Kong Stock Exchange, dealers said.

The Hang Seng index of leading shares climbed 300.09 points, or 3.22 percent to 9,629.19.

The index has climbed nearly 30 percent since the bull run began on Sept. 28; it is almost 75 percent higher than on Jan. 1.

"The place is just awash with cash and it is coming in from all sides," said Philip Pritchard, associate director at SBC Finance Asia. "I think we could see 10,000 this week."

Traders said that as Japanese brokerage firms moved more investment funds into Hong Kong, the Tokyo Stock Exchange could suffer in the short term. That market is already reeling from the botched listing of East Japan Railway Co., which dragged it down 3 percent last week. The Nikkei 225 index lost another 1.3 percent on Monday.

The rush into Hong Kong companies is partly explained by rapid earnings growth and low prices. "On valuation alone, it is an outstanding market if you are looking on a global basis," said Kalina Ip, head of research at HG Asia. "Here we have expected average earnings growth of 15 to 18 percent next year, and you

just can't find that in the United States."

In early trading, the Hang Seng touched an intraday high of 9,706.97 and then retreated as some investors locked in gains.

Teresa Wong, chief dealing director at DBS Securities said: "There was profit-taking all right, but it looked so powerless to confront waves of fund buying. Buy orders kept pouring in like rain."

One of the strongest performers was Hong Kong Telecommunications, which rose 80 cents to 17.50 dollars (\$2.36). This followed a stunning debut on the Singapore exchange by Singapore Telecommunications, that country's telephone monopoly. (Bloomberg, Reuters)

Index	Nov 1 1993	Change
Hong Kong	9,629.19	+3.22
Taipei	2,112.20	+0.58
Shanghai	1,973.08	-1.34
Manila	971.98	-0.51
Bangkok	1,280.81	+5.17
London	2,397.72	+1.47
Nikkei 225	8,131.68	-1.36
DAX	2,579.84	-0.78
Dow Jones	4,988.15	+0.63
S&P 500	2,168.08	+1.64
Hong Kong 100	1,288.79	+2.20
Hang Seng	9,629.19	+3.22

Source: Reuters, AFP
International Herald Tribune

Singapore Telecom's Hot Opening Day Raises Doubts

Compiled by Our Staff From Dispatches
SINGAPORE — Shares in Singapore Telecommunications Ltd. had a soaring debut Monday that pushed the Singapore stock market to a record intraday high, but dealers said the stock looked likely to drop back as the investment fervor cooled.

Singapore Telecom C shares, sold to both foreign and local investors at 3.60 dollars (\$2.27), climbed to 4.14, from an opening 3.80.

At one point, they soared briefly at 5.00.

But it was those who bought A and B shares, reserved for local investors, who had

the most reason to cheer. When the shares were originally auctioned, A shares went for 1.90 and B shares for 2.00 each. A and B shares both closed at \$4.12 Monday.

Chanm Tuk Sing, a dealing director at OUB Securities, said Monday's buyers were a "mixed bag" that included some local insurance funds.

The 30-share Straits Times Industrials index ended at 2,105.68, up 3.17 points from Friday.

The exchange said it would revert its normal six-and-a-half-hour trading session start-

ing Wednesday. It had extended trading starting Monday, to a 12-hour session ending at 8 P.M., to deal with the Singapore Telecom listing.

Sunit Gupta, head of research at Crosby Securities, said there had been a lot of buying at 4 dollars a share, that he expected the price to drop below that after the first week or two.

Timothy Wong, a Vickers Bullas analyst, said he could find "no reasonable basis" to recommend buying the stock at its current price. (AFP, Bloomberg, Reuters)

Very briefly:

- Oriental Press Group Ltd., publisher of Hong Kong's leading Chinese newspaper, announced it would launch the colony's third English-language daily; the Eastern Express will begin publication next year.
- NEC Corp. unveiled an electronic reading device called a digital book player capable of displaying novels and comics recorded on floppy disks.
- Japan's domestic sales of vehicles fell 11.3 percent in October from a year earlier to 374,227 units, according to the Japan Automobile Dealers Association.
- Mitsubishi Electric Corp. said it would produce portable computer telecommunications equipment in the United States, the Nihon Keizai newspaper reported. The equipment had originally been developed by International Business Machines Corp.
- Tokai Bank, a mid-sized commercial bank, is believed to have written off loans of 70 billion yen (\$647 million) in the six months ended Sept. 30, Nihon Keizai reported.
- Australia's current account deficit narrowed to 1.14 billion Australian dollars (\$761 million) in September from 1.3 billion dollars in August, mainly due to a 9 percent rise in exports.
- The China Securities Regulatory Commission's chairman, Liu Hongru, said China needed to speed up the development of its stock markets to ease pressure on bank loans, the official China News Service reported.

Japan Electronics Companies Cut R&D Budgets

By Andrew Pollack
New York Times Service
TOKYO — Some of Japan's leading electronics companies are trimming their research and development spending, slipping into an area that they consider vital to their long-term competitiveness.

Research and development spending has been virtually immune to the sort of cuts that have swept capital spending, entertainment, travel, employment and recruitment.

But with the electronics companies being battered by saturated markets, a weak domestic economy and the strong yen, even research and development can no longer remain a sanctuary.

Last week, some companies lowered their research spending plans for the current financial year as they announced falling financial results for the first half of the year.

Hitachi Ltd., which has the largest corporate research and development budget in Ja-

pan, said that in the business year ending in March it would spend 370 billion yen, or about \$3.4 billion, instead of the 380 billion yen it had been planning.

The figure is down 7 percent from 395 billion yen in the past business year. Hitachi said last week that its pretax profit had dropped 20.4 percent in the first half of the current year.

NEC Corp. said it would trim research and development spending this year to 280 billion yen, from the 290 billion yen originally planned. The company spent 290 billion yen in 1992. NEC had a 53 percent decline in first-half pretax earnings.

Fujitsu Ltd. will have the sharpest cutbacks. It will spend about 280 billion yen on research this year, compared with an initial plan of 295 billion yen.

The new figure represents a 12 percent cut from the 319 billion yen spent last year.

Fujitsu reported a consolidated pretax loss for the first half of 24.3 billion yen.

In the boom years of the late 1980s, Japanese corporations registered annual increases of 10 percent or more in research spending.

Part of this was a belief that Japan, having caught up with the West in technology, would need to provide more innovations rather than simply build on advances.

But overall growth in research spending — combining corporate and government spending — has slowed and might have declined in 1992 and 1993 from 12.7 trillion yen in 1991.

Even as a percentage of revenue, research spending is dropping, to 10 percent from 10.4 percent last year for Hitachi, and to 12.7 percent for Fujitsu, from 13.3 percent.

Other companies are trying to hold the line on R&D. Matsushita Electric Industrial Co. said its spending would remain about the same as last year. Sharp Corp. and Mitsubishi Electric Corp. will increase spending slightly.

Hyundai Founder Gets 3-Year Prison Sentence

Reuters
SEOUL — Chung Ju Yung, founder of the Hyundai Group, was sentenced Monday to three years in prison for embezzlement and election fraud during his unsuccessful bid for the presidency last year.

But the court ruled that Mr. Chung, 77, would remain free pending an appeal because of his advanced age and in recognition of "his contribution to the country's economic development," a court official said.

Brokers said that the news had no immediate effect on the Seoul stock exchange or on the price of Hyundai subsidiaries.

The verdict in the case read: "It has been accepted that defendant Chung, during the presidential elec-

tion campaign, instigated corrupt polls by mobilizing funds and employees from the Hyundai Group."

Mr. Chung was indicted in February on charges of diverting more than 50 billion won (\$61.8 million) from Hyundai to his United People's Party to underwrite his presidential bid.

State radio quoted the tycoon as saying, "I have nothing to say," after the court session. During previous hearings, he had denied the charges against him. Hyundai also declined to comment.

It is generally agreed that Mr. Chung's political ambitions angered the government of Kim Young Sam, who became president in February. It launched a series of tax probes into Hyundai Group units, a move that many investors called political retribution.

World Bank Lends to Hanoi

Reuters
HANOI — The World Bank on Monday extended two credits amounting to \$228.5 million to Vietnam and a bank officer said the institution planned to pump \$1 billion into the country in the next three years.

Signature of agreements for the credits — \$70 million for primary education and \$158.5 million to upgrade the main north-south highway — completed Vietnam's reintegration into the international financial community after Washington's decision to stop blocking such loans.

Over the past month, Vietnam has also signed agreements with the International Monetary Fund for \$223 million in loans and with the Asian Development Bank for a loan of \$76.5 million.

The credits are the World Bank's first to Vietnam for 15 years. Gautam Kaji, vice president for East Asia and the Pacific, said the credits were from the bank's soft loan affiliate, the International Development Association. They are repayable over 40 years with a 10-year grace period and a service charge of 0.75 percent.

The World Bank plans to finance other projects in Vietnam, he said. "We are doing some tentative planning around the figure of \$1 billion over the next three years," he said.

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UNITED AIRLINES

Prime Rates Edge Up

South Korean prime lending rates rose by up to 75 basis points Monday, the first day of interest rate deregulation, and analysts predicted a short-term period of turbulent moves in the markets.

Last week, the Bank of Korea announced the second stage of rate liberalization, which some analysts feared would send rates up as much as 3 percentage points.

K. G. Lee, a manager at Samsung Securities, predicted a period of "severe fluctuation."

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

THE LESLIE FAY COMPANIES, INC.,
ST. L.

Chapter 11
Case No. 93 B 41724 (TLB)
Debtor.

NOTICE OF LAST DATE TO FILE PROOFS OF CLAIM AGAINST THE LESLIE FAY COMPANIES, INC., ET AL.

TO ALL PERSONS AND ENTITIES ASSERTING CLAIMS AGAINST ANY OF THE FOLLOWING DEBTOR ENTITIES:

The Leslie Fay Companies, Inc.
Spitalnick Corp.
Leslie Fay Licensing Corp.
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PLEASE TAKE FURTHER NOTICE THAT if you are required to file a proof of claim and fail to do so by the last date to file a proof of claim, you will be barred from voting on or receiving any distribution of cash or property under any plan of reorganization for the debtors. The claims described in items 1-4 below ("EXCLUDED CLAIMS") are not asserted by the debtors or by any successors to or assigns of any debtor.

PLEASE TAKE FURTHER NOTICE THAT each proof of claim form filed must conform substantially to the Official Form No. 10 of the forms of Proof of Claim approved by the Clerk of the Court for the Southern District of New York, one Bowling Green, New York, New York 10004, between the hours of 9:30 a.m. and 4:00 p.m., on December 10, 1993.

PLEASE TAKE FURTHER NOTICE THAT copies of the Debtors' Schedules of Liabilities are available for inspection in the Office of the Clerk of the Court of the United States Bankruptcy Court for the Southern District of New York, one Bowling Green, New York, New York 10004, between the hours of 9:30 a.m. and 4:00 p.m., on December 10, 1993.

4 Republics Feel Squeeze Over Ruble

Compiled by Our Staff From Dispatches
MOSCOW — Four former Soviet republics, which on Sept. 6 signed a ruble zone agreement with Russia, appeared to be heading to a financial crisis Monday as Russia delayed supplying them with new-style rubles.

Armenia, Kazakhstan, Tajikistan and Uzbekistan, which are still using pre-1993 rubles, are struggling with high inflation rates. They are desperate to finalize the creation of the ruble zone and receive new-style rubles, which Russia introduced in July.

According to their own estimates, Kazakhstan and Uzbekistan alone urgently need a trillion rubles (\$840 million) each.

Belarus, which also signed the ruble zone agreement, has its own currency and seems well equipped to weather the current storm.

Russia, in spite of its earlier willingness to supply partner states in the Commonwealth of Independent States with the new-style rubles, has changed its attitude and is demanding that they meet even tougher conditions if they are to receive any new-style rubles at all.

And the four republics are stuck: They cannot even replenish their supply of pre-1993 rubles because Russia no longer produces them.

To a great extent, Russia's change of attitude was caused by pressure from the International Monetary Fund, which is encouraging all former Soviet republics to introduce their own currencies.

Turkmenistan took the move on Monday, introducing a currency called the manat to replace the ruble.

During negotiations last week with Kazakhstan, Russia demanded that all the new-style rubles it supplies to Kazakhstan be backed by Kazakh gold or hard currency reserves. President Nursultan A. Nazarbayev of Kazakhstan said, however: "We have made all possible concessions, but now Moscow has asked us to do the impossible, to hand over to them billions of dollars."

Russia's deputy prime minister, Alexander N. Shokin, implied at a recent news conference that the Russian government had become suspicious that the other republics' intentions toward the ruble zone were not altogether genuine.

(Knight-Ridder, AFP)

AP/11/01/93

NYSE

Monday's Closing
Takes include the nationwide price up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

(Continued)

Table with columns: 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg. Lists various stocks and their performance.

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LEVERAGE: Pacific States Urged to Put Pressure on EC in Trade Talks

Continued from Page 1
ever summit meeting of APEC leaders, convened by President Bill Clinton, also in Seattle.
Some member countries, particularly those in Southeast Asia, have expressed concerns that APEC may be developing too quickly into a regional economic bloc, thus undermining the multilateral trading system and overshadowing smaller nations and groupings in East Asia.

Officially said Monday, however, that there appeared to be considerable support for the strategy proposed by the report of pursuing Pacific trade with minimal EC-style institutionalization and "to the greatest extent possible through multilateral liberalization."
William Bodde Jr., executive director of the APEC Secretariat in Singapore, said recently that he was convinced that the "trade-driven, entrepreneurial and free market spirit that is the underpinning for the success of the APEC economies is likely to prove a more effective engine of economic growth in the 21st century than the European model, with its much broader objective including political integration through harmonization of laws and regulations and a common currency."

Wew. Singapore's senior minister, observed that if APEC countries increased their economic cooperation with the ultimate objective of forming a free trade area, "the European Community will have to consider the risk of losing access to the biggest consumer market in the world if it pursues a restrictive trade policy."
The 75-page report to APEC ministers and leaders, a copy of which was made available to the International Herald Tribune, says that an escalation of inward-looking regionalism throughout the world would undermine prospects for continued rapid economic growth in the Asia-Pacific.

Table with columns: 12 Month High/Low, Div, Yld, PE, High, Low, Last, Chg. Lists various stocks and their performance.

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INTERNATIONAL FUNDS

Oct. 29, 1993

Questions supplied by funds listed. Not exact when questions are supplied by the Funds listed with the exception of some quotes based on issue prices. The original symbols indicate frequency of quotations supplied (D) - daily; (W) - weekly; (B) - bi-monthly; (M) - monthly; (Q) - quarterly; (S) - semi-annually; (Y) - yearly; (N) - not available.

Table listing various international funds with columns: Fund Name, Class, Price, and other details.

Table listing various international funds with columns: Fund Name, Class, Price, and other details.

Table listing various international funds with columns: Fund Name, Class, Price, and other details.

Table listing various international funds with columns: Fund Name, Class, Price, and other details.

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

SPORTS

In Jordan-less NBA East, the Knicks Have the Court to Themselves

By Harvey Araton
New York Times Service
NEW YORK — In the National Basketball Association's Eastern Conference, this time around, there are French doors swung wide open with a mat that says, "Welcome, Knicks."
Welcome to the Michael Jordan-less East, where two words — I quit — erased all memories of a stand-pat Knicks summer and made heavy favorites of the team that stands behind Pat.
Coach Riley ought to have himself a good laugh watching his favorite spitting-contest partner, Phil Jackson, attempt to coach 45 victories out of the Chicago Bulls. Aboard Air Jordan, the Bulls won 57 last season. Barring the acquisition of an impact scorer, or another sudden crossover career move by Jordan, the Bulls shouldn't count on home-court playoff advantage again — not even in the first round.
The Bulls will need big-time performances by Scottie Pippen, Horace Grant and B.J. Armstrong, and if Toni Kukoc can pick up the pace by midseason, Jackson and the Jordanians may be able to silence the critics who have said they will be nothing without Jordan.
Certainly the Bulls, their situation made even worse by the knee injury sustained by center Scott Williams, won't be finalists.

Based on last season, the Patrick Ewing-led Knicks would appear to be a shoe-in for their first championship series since 1973, though questions of how sound they are at point guard and small forward remain.
Sweet-stroking Hubert Davis looks ready to join John Starks in a potent two-guard rotation, though Riley will find the temptation to unite these two for stretches irresistible.
One cliché born of truth is that defense travels, which is why the Knicks will win 60 regular-season games and finish first again in what should be a spirited conference of rising new franchises saluting sliding old franchises.
Jordan's retirement keeps the Knicks on a natural progression, allowing Riley to drive them hard without much threat of dissension getting in the way.
What, or who, will be an obstacle? Some believe that with Jordan not around to traumatize them, Mark Price and the Cleveland Cavaliers can, with an infusion of passion from their new coach, Mike Fratello.
But the Cavaliers are weak-willed, stuck with Gerald Wilkins at their starting two-guard spot and a front line that features an aging Larry Nance, an underachieving John Williams and no clear choice at small forward.

By playoff time, Ewing may regret those summer tutorial scrimmages with Alonzo Mourning at Georgetown, and Charlotte may pose a far greater threat to the Knicks than the upstart status now being granted the Hornets.
Start with Mourning, who by the end of the regular season will have established himself as the new, improved, 1990s model of Moses Malone. Remember how no one, least of all Kareem Abdul-Jabbar, could physically cope with Malone in the early 1980s? Mourning has that same look.
The Hornets lost the gifted Kendall Gill but added a dependable and much-needed perimeter shooter in Hersey Hawkins, whose percentage didn't falter last season, even after Charles Barkley took his inside game from Philadelphia to Phoenix.
Eddie Johnson (from Seattle) and Dell Curry are veteran scorers off the bench. Most people ask whether Charlotte can win big with the 5-foot-3-inch Muggsy Bogues at the point, but more pertinent questions might be these: Can Larry Johnson live up to his \$84 million deal, and can Allan Bristow coach at a championship level?
Orlando and Miami, the other expansionists, should move up to the middle of the playoff pack. If Anfernee Hardaway, who struggled in

the preseason, begins earning his playing time next to Scott Skiles in the backcourt, and Shaquille O'Neal can stay out of foul trouble, the Magic could even push higher.
O'Neal has absorbed some criticism for not working on his numerous weaknesses, and his desire has been questioned, but some perspectives are in order.
With no perceptible college coaching, and no certificate of excellence from the Pete Newell big men's summer school, Shaq did average 23.4 points and 13.9 rebounds last season. If Dennis Scott is healthy (and is not traded) and can assist Nick Anderson from the perimeter, O'Neal will only get better.
The Heat need an injury-free season from all-purpose guard Steve Smith, whose mere presence makes Glen Rice, Rony Seikaly and Harold Miner better. If the Heat start slowly, their coach, Kevin Loughery, will be fired.
What next, Nets? Perhaps not the utter despair and despair that might be expected after the tragic loss of Drazen Petrovic and the defection of Chris Dudley.
Coach Chuck Daly still has two of the league's most highly skilled players, both with brilliant court vision, in Derrick Coleman and Kenny Anderson. Both must stay healthy for the Nets to make the playoffs.

The Nets' ownership keeps losing players because of indecision and an unwillingness to pay supporting talent, and Willis Reed, with two of the best eyes for talent in the league, keeps plugging the holes, as best he can.
Under the circumstances, Kevin Edwards and Arnono Giliam are useful additions, though Coleman represents the only veteran who shoots the jumper with much consistency.
As there was last season, there will likely be a wild scramble for the last couple of playoff spots, with Milwaukee, Indiana and Atlanta capable of challenging the Nets and Bulls.
Detroit and Boston could, in the best of situations, stubbornly avoid the lottery, which would only satisfy the proud veterans on both rosters.
The Bucks are a legitimate center away from becoming a solid playoff team, with their nucleus of the emerging star Todd Day, free-agent forward Ken Norman, Anthony Avent, Blue Edwards and Frank Brickowski.
Indiana and Atlanta both have new coaches, Larry Brown and Lenny Wilkens, who tell old stories. The Pacers' cast — led by Detlef Schrempf, Reggie Miller and Rik Smits — has for several years blown hot, cold and out of the playoffs in the first round.

The Hawks continue to field terrific athletes, led by the great Dominique Wilkins, who are all lacking in one or two basic basketball skills.
The best news for the crumbling Celtics has been the play of forward Dino Radja, who could yet be the best Croat in the NBA this season. But the death of Reggie Lewis leaves Boston's coach, Chris Ford, without a go-to scorer, and with an underzoned backcourt in Sherman Douglas and Doc Brown. The amazing Robert Parish, at 40, is worth the price of admission.
The same can't be said yet of the 7-foot-6 rookie Shawn Bradley, the Philadelphia Experiment. He's three years away, the 76ers say, but from what they don't really know. Clarence Weatherpoon is a center, but the Sixers are going back to the lottery.
The Bulls, as usual, will be right there with them, looking to add a prize guard to go with the Indiana forward, Gilbert Chesney, whom they took in this year's draft.
Center Kevin Duckworth can coach the frail Peter Ellison on how to gain weight. Second-year forward Tom Gugliotta, the so-called Next Larry Bird, needs to shoot better than 42 percent.

For the Williamses, The Team's at Home

By Ian Thomsen
International Herald Tribune
LONDON — "Home Alone" is the favorite movie of the Williams household in Winter Haven, Florida. This is because of empathy.
"It's so funny," said Jill Williams, "we have left kids behind to go across town. We'll get there and say, 'Where's Andrea — she's back at home!'"
Pat Williams, 53, has a difficult job as general manager of the Orlando Magic, overseeing a dozen mostly-babied millionaire basketball players, the world-renowned Shaquille O'Neal among them. But this is not the half of it. At night he comes home to a dinner table 16 feet (almost 5 meters) long surrounded by as many as 18 Williamses, 12 adopted from four countries. There are also two dogs, a cat and three squawking parrots. Jill Williams, who is a real estate saleswoman, a Mary Kay cosmetics senior director, a model, actress, public speaker, author and mother to 16, makes dinner.
"The nanny does all of the laundry and the majority of the driving but very little of the cooking, because I enjoy cooking," she said. "Those are my favorite times, everybody sitting around the table, jabbering about what went on that day. Of course, it's not all peaches and cream every day."
Vases and paperweights have been known to fly from room to room in the Williamses' 11-bedroom house. Children have run away, and everyone has been punched or kicked at one time or another. Problems like these (follow each new child into the house).
"I hate to stereotype, but boys seem to be a lot rougher around the house," said Jill Williams, who has 10. "All of our boys were living on the streets. When they don't like something, their first impulse is to pick up the nearest object and throw it at someone. I've had to make a lot of runs across the room going, 'No, no, no, that's not what we do here.'"



SAY, ISN'T THAT...? — Mask or not, it was still a familiar figure at the Halloween bash thrown in New York City as a fundraiser for the Magic Johnson Foundation. The nearly \$500,000 raised from the evening will be donated to AIDS research.

She had long dreamt of a large family, she said, but only after a decade of marriage did Pat Williams see adoption as a way of showing his commitment to their faltering relationship. In 1983, three months after he had managed the Philadelphia 76ers to the National Basketball Association championship, they greeted two little Korean girls at the airport. They were renamed Sarah and Andrea.
Their fourth biological child, Michael, was born in 1984. Two years later, Pat Williams moved south, seeking an NBA franchise for central Florida. By 1987, the Magic had been awarded to Orlando, and twin boys had arrived from South Korea, Stephen and Thomas.
Later that year, the Williamses heard of four brothers living in a state-run home in the Philippines, ages 9, 8, 7 and 4. Their names became David, Peter, Brian and Sammy.
Jill Williams wrote a book, "Twelve Part Harmony," about their experiences. She plans to update it, now that daughters Gabi and Katarina have settled in from Romania, and Daniela and Richie have arrived from Brazil. The children range in age from 19 to 6, with the eldest, Jim, away at Stetson University.
The Williamses report no science to finding and integrating new children. Their four biological children apparently have bought into the lifestyle completely and, from all accounts, are completely normal. Clothes are numbered for identification, in order of arrival into the family. Daily chores are assigned for each morning and afternoon, with dissenters finding their names on a date chalkboard in the kitchen. Only the parents have free access to the TVs and telephones.
The Williamses choose nine of their children from photographs and limited biographies. They're expecting to receive two more this month, from Brazil, where, according to Pat Williams, 39 million children live in poverty, with 7 million on the streets. He asks that prospective

Out West, a Range of Contenders

By Clifton Brown
New York Times Service
NEW YORK — Everything is more wide open out West. From the style of play to the race for the top spot.
At least four teams have legitimate title hopes. Charles Barkley of the Phoenix Suns wants a championship ring. Seattle, a superb defensive team, returns even deeper and hungrier. The Portland Trail Blazers are ticked off at those who have written them off. And Houston's Hakeem Olajuwon still has a championship dream.
No team from the West has won the championship since the 1983 Lakers. This maybe the year, but just getting through the conference finals will take a heavy toll on the survivor.
The Suns are the favorite, but they could get burned. Barkley's training camp collapse raised questions about whether his back and overall health will hold up through the playoffs.
Phoenix will miss small forward Richard Dumas, who is in rehab. Have the Suns really improved enough defensively to stop Green and Joe Kleine add enough toughness?
Remember, the Suns came within an eyelash of being knocked out by the Lakers in the first round last season.
Any questions concerning Phoenix, however, are capable of being answered by Barkley, last season's most valuable player and the game's most controversial talker. No other team lights up the scoreboard like the Suns with Barkley, Kevin Johnson, Dan Majerle, Cedric Ceballos, Danny Ainge and Green.
Anyone who scoffs at the Suns' center tandem of Mark West and Kleine should talk to the Bulls and Pistons. Chicago and Detroit have won the last five championships without a dominant center.
Provided Barkley stays healthy, the Suns can return to the finals, without Michael Jordan standing in their way.
If Phoenix slips, the SuperSonics are lurking. Finishing with the best record in the conference is Seattle's top regular season priority. Not having the home-court advantage might have been the only thing that kept Seattle one victory away from beating the Suns in last season's conference finals.
It is hard to name a roster deeper or more versatile than Seattle's, with Shawn Kemp, Sam Perkins, Ricky Pierce, Derrick McKay, Gary Payton, Nate McMillan, Michael Cage and Kendall Gill. George Karl can't possibly put a bad team on the floor.
And how good is the SuperSonics' defense? They led the league last season in steals, turn-

overs created and point differential. Their biggest concern is outside shooting.
If they can generate a few more points, they may be playing in June.
The feeling outside of Portland is that the Trail Blazers blew their opportunities in 1989 and 1991, when they lost in the finals. The Blazers don't buy it.
"I've been reading a lot of the publications and predictions, and everyone has sort of written us off," said Portland's coach, Rick Adelman. "If we play solid defense and stay healthy, we feel we have as good a chance as anyone."
A warning sign went up last week, however, when Clyde Drexler skipped a practice because he wanted his contract extended. Portland's management refused. Drexler returned, but he also made it clear he was still unhappy.
He must have a big year for the Trail Blazers to win anything. Healthy again after last season's knee troubles, Drexler is one of the game's most multidimensional talents. He will also play small forward, allowing Adelman to use Terry Porter and Rod Strickland together in the backcourt.
Chris Dudley gives the Trail Blazers what they didn't have last year — a shot-blocking and rebounding center. Grant gives them a forward who can shoot.
Buck Williams, Cliff Robinson and Jerome Kersey give them frontcourt depth. But getting past Pacific Division rivals Phoenix and Seattle is an imposing task. It could add up to another season when Portland is good, but not good enough.
Playing in the Midwest Division, perhaps the league's weakest, is an advantage for Houston. Winning the division would make the Rockets second-seeded in the conference playoffs. That means an easier first-round opponent. That also means an easier path to the second round, the conference finals or beyond.
Last season, Houston's Rudy Tomjanovich finished second to Pat Riley for coach of the year honors. Any team with Olajuwon, last season's first-team all-league center, is dangerous.

Houston plays like a prototype low-post team from the East, pounding the ball inside to Olajuwon and Otis Thorpe and relying on a halfcourt offense.
Playing with Olajuwon gives Vernon Maxwell and Kenny Smith all the open jumpers a guard could want. But Maxwell and Smith do not make enough jumpers to keep the defense honest.
Mario Elie was a nice addition, but he is a slasher, not a pure jump shooter. Robert Horry was a pleasant surprise at small forward as a rookie, but Olajuwon still carries too much of the load. If that changes, the Rockets are a dark horse.
Both San Antonio and Utah would like to think they are contenders. Dennis Rodman's blond hair, belly-button ring and tattoo-covered body is enough to make anyone take notice. But while David Robinson, Rodman and Antoine Carr should have a rebounding field day, who other than Sleepy Floyd will provide outside offense? For that matter, will the Spurs ever acquire a first-rate point guard?
Things look about the same in Utah. Karl Malone will score a ton of points. John Stockton will hand out a ton of assists. Jeff Malone will make a ton of jumpers.
But that trio has never been enough to carry Utah into the finals, so why should that change? Mark Eaton, Luther Wright and Felton Spencer at center are not enough.
The last two playoff spots are up for grabs. Season-ending knee injuries to Tim Hardaway and Sarunas Marciulionis crushed the Warriors' hopes. Then Chris Mullin was lost. It is unlikely that Billy Owens and Chris Webber will be enough to get them into the playoffs.
The progress of young players like Anthony Peeler, Doug Christie, Nick Van Exel and Elden Campbell will determine what the Lakers do.
Keep an eye on the Denver Nuggets, who are quietly building a strong young nucleus around Dikembe Mutombo. LaPhonso Ellis, Reggie Williams, Mahmoud Abdul-Rauf (formerly Chris Jackson) and Bryant Stith all know where the basket is. Denver has a shot at the playoffs.
The Clippers are strong in the backcourt with Mark Jackson and Ron Harper. Danny Manning has not been traded (yet), and there is a chance the Clippers will sign him to a long-term deal. But that still leaves other problems.
Stanley Roberts came to camp out of shape, and the Clippers signed Gary Grant and Mark Aguirre because they were concerned about their depth. Even if they make the playoffs, the Clippers do not figure to hang around long. Bobby Hinley will help Sacramento, but the Kings lack a proven center or depth to complement Mitch Richmond, Lionel Simmons, Walt Williams and Wayman Tisdale.
Christian Laettner, Chuck Person, Doug West, Michael Williams and J.R. Rider will give Minnesota an improved offense, but the bench is weak. The Timberwolves are still at least one good player from 500.
Center is also a problem in Dallas. The first-year coach, Quinn Buckner, has enough in emerging star Jimmy Jackson, Jamal Mashburn, Derek Harper and Fat Lever to surpass last year's embarrassing 11-victory season. At least the Mavericks should win more games this season than the Cowboys.

DENNIS THE MENACE



PEANUTS



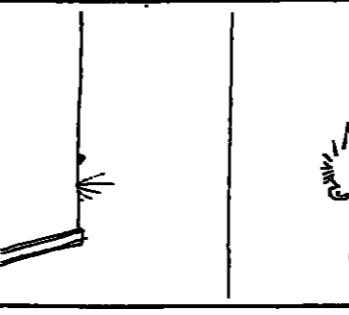
CALVIN AND HOBBES



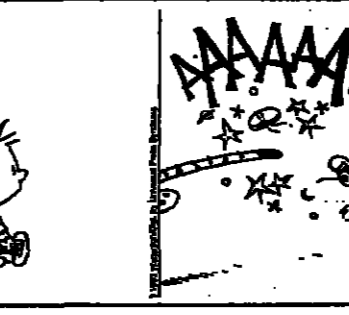
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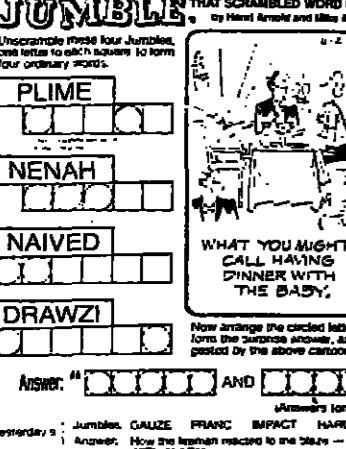
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SPORTS

A 'Lucky' Mansell Out Of Hospital

NOTTINGHAM, England — Nigel Mansell was released from a hospital Monday less than 24 hours after sustaining head and hip injuries in a crash during a touring car race that began as a homecoming celebration.



A PASSING FANCY — Diego Maradona got a kiss from a koala during a visit Monday to a zoo in Sydney, but the referee of the previous day's World Cup qualifying match, in which Argentina and Australia tied, 1-1, was less enamored. Sander Puhl of Hungary, in an interview with Australian Associated Press, said that Maradona "looked completely unfit for a match of this caliber. He never broke out of a mere jog, and when he did, he took a long time to recover. I think he was fitter when he was fatter."

slower but then I got a push from behind. My car just shot off at 60 degrees to the track and went straight into a concrete wall.

"We had to take the utmost care," Mansell had injured his back when he hit a wall at 290 kph (180 mph) on the oval circuit at Phoenix earlier this year.

Cowboys' Smith Tramples Eagles With 237 Yards

By Thomas George New York Times Service PHILADELPHIA — The Philadelphia Eagles have played Halloween games in 1937, '48, '65, '71 and now in '93. But the number the Eagles will remember most from the last game with their divisional rival, the Dallas Cowboys, is 62.

Today happened to be a great day for the fans. The Cowboys, the offensive line and me," he said. "Who's to say it's ever going to happen again? I didn't expect it."

during a 21-point second quarter in Denver and Robert Delino ran for two scores.

Smyth Wins in Rain in Madrid, Norman Takes Bath in U.S.

MADRID — It took Ireland's Des Smyth five days to win his first tournament in five years, but he won the Madrid Open by three strokes Monday.

for 72 to finish in a second-place tie with England's Mark Roe (69) and Spain's Jose Rivero (69) and Domingo Hospital (70).

southern coast of Spain, is limited to the top 50 money winners.

Shula Ties Halas Mark

By Leonard Shapiro Washington Post Service MIAMI — With two minutes left in Miami's 30-10 victory over the Kansas City Chiefs, the Dolphins' safety, Louis Oliver, sent a groundkeeper to the west end zone of Joe Robbie Stadium and asked him to retrieve a head sheet banner hanging over a railing.

Shula tied Halas' mark of 324-151-31 in 40 seasons with the Chicago Bears.

On this very special day, Shula tied the late George Halas for most victories by an NFL coach, regular season plus playoffs. In his 31st season, he can set the record with No. 325 next week in New York against the Jets.

SCOREBOARD

Table with columns for Football, NFL Standings, and National Conference. Lists teams like Miami, Buffalo, Indianapolis, etc., with their records.

FOOTBALL

Table with columns for NFL Standings, American Conference, and National Conference. Lists teams like Cleveland, Pittsburgh, Houston, etc., with their records.

GOLF

Table with columns for Madrid Open, U.S. Open, and NHL Standings. Lists players like Jim Gallagher, Greg Norman, etc., and NHL teams like Montreal, Pittsburgh, etc.

SIDELINES

Swallows Win Japan Series Crown TOKYO (AP) — Katsumi Hiroswawa, with a homer and a ground out, drove in all four runs Monday as the Yakult Swallows beat the Seibu Lions, 4-2, in the decisive seventh game to win their first Japan Series championship in 15 years.

Swallows Win Japan Series Crown

It was an awesome display by Smith because his 3- and 9-yard runs were nearly as exciting as his 30-yard-plus ones and the 62-yarder. Philadelphia's defense did a masterful job against the Dallas passing game but had to give up something in the running game to do it.

Lecote Begins Paris Open a Winner

PARIS (AP) — Henri Lecote, in yet another comeback attempt, rallied Monday to beat fellow Frenchman Thierry Champion, 6-7 (7-9), 7-5, 6-1, in the first round of the Paris Open.

INTERNATIONAL CLASSIFIED

Today's EDUCATION DIRECTORY. Appears on Page 8. Includes sections for MOVING, Attention visitors from the U.S., and ANNOUNCEMENTS.

BUSINESS SERVICES. Includes GENEVA Full Service, BUSINESS ADVISORY SERVICES S.A., OFFSHORE COMPANIES FROM £150, REAL ESTATE FOR SALE, and BUSINESS OPPORTUNITIES.

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ART BUCHWALD

Nov. 2, Dear Diary...

WASHINGTON — Senator Bob Packwood is not the only one who kept a diary while serving in the Senate. And that's a serious problem. The Senate Ethics Committee may subpoena all the journals that its members produced during their years of government service.



Senator Rabelais is one of those who kept a diary, and in many ways it's hotter than Packwood's. I Buchwald fished a copy from the Senate cloakroom and here are some take-outs. "Dear Diary: I was walking down the hall to my office when this girl came up and pushed me. I pushed her back and she pushed me again. You can't push me. I told her. 'I'm a United States senator.'"

"She replied, 'You can't push me. I'm a woman.' "An automatic-gun lobbyist came up to me and asked, 'What's the problem, sir?' "She pushed me, I told him. "We'll take care of that," the lobbyist said. "I could see that I was getting in over my head. Don't shoot her. I'll deal with this in a political way. I invited the girl into my office and assured her that I would not abuse her unless she asked me to."

U.S. Makes 424 Arts Grants

WASHINGTON — Artists and organizations in 46 states, as well as Guam, Puerto Rico and the District of Columbia, and Americans living abroad in Sweden and Berlin, will share in 424 grants totaling \$9.8 million from the National Endowment for the Arts.

"I didn't know whether she meant the Supreme Court, the Superior Court or the tennis court. "In any case the Ethics Committee better not mess with me because I have stories on them that would make their hair stand on end. Take Senator Speakeasy who wants to subpoena my diary. Is he in for a surprise when he finds my description of him dancing in a tutu at a Tailhook convention last year. "And Senator Absolution is in for a shock when he reads that he stole 40 rolls of stamps from the Senate mail room and charged them to the space program. "If I go down, I'm going to take everybody with me. "This includes Congressman Edgartown, who went on a fact-finding tour of Armenia with his illegal significant other from Cuba. While I'm at it, I am going to blow the whistle on the chairmen of every defense subcommittee. "Their stories will be so explosive Phil Donahue will book every one of the congressmen on his show."

Senator Rabelais is not the only one to kiss and tell about his comrades in the U.S. Senate. There are an estimated 35 senators, not including Packwood, who are ready to turn over their notes to save their skins. Senator Deadbeat told me, "We all knew how fond he was of women, but we never thought of him as Marcel Proust."

"Do you think that he's got the goods on a lot of you?" "Heaven knows! The worrisome part of this is that we are all suspect until the diary is released. My constituents have already asked me to confess to them, and my opposition is running ads showing the cover of Packwood's diary with a voice-over saying, 'If you want to know what Deadbeat has been doing for the last six years, read about it on Saturday.' "I said, 'You're all being tarred with Packwood's brush. Do you think that the Ethics Committee will be tough on him because of his journal?' "I hope so. If we can't punish someone for keeping a diary, then we'll give all our respected leaders a bad name."

The End of an Epoch in Italian Cinema

By Barry James

THE death of Federico Fellini in Rome recalled the demise of a great age of Italian cinema, of which he was one of the greatest.

He is the only director whose name is an adjective — Felliniesque, meaning bizarre, extravagant, larger than life. "Italy has lost its greatest poet," said Prime Minister Carlo Azeglio Ciampi. Fellini's career straddled the epoch from its neorealist beginnings in the 1940s — when an aspiring Christian Democrat politician named Giulio Andreotti was the official movie censor — to the massive contraction of the industry under the weight of competitive onslaught from Hollywood.

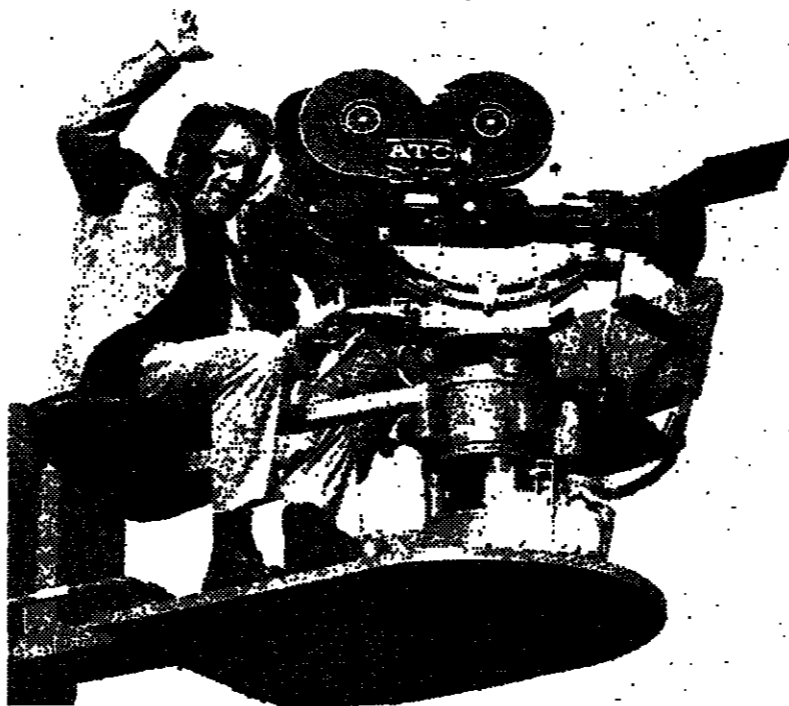
Fellini helped write the script and worked as assistant director for Italy's first postwar movie, Roberto Rossellini's "Rome, Open City." The film was made with borrowed cameras on film stock that Rossellini bought in short lengths from street photographers. There were no studios, and no lighting and the equipment was so noisy that the sound track had to be grafted on afterward — a practice that prevails in the Italian movie industry to this day.

But the austere conditions helped give the movie a gritty quality that influenced a generation of influential — but commercially unsuccessful — neorealist films, the only movies at that time to be entirely liberated from the Hollywood model. Fellini worked on another of those movies, the highly acclaimed "Paisan."

He later recalled those days: "With 'Paisan' I went all over Italy with Rossellini," he said, "because as you know the action of the film stretches from Sicily to the Po, and it was a very exciting discovery, because the war had just ended, and we were surrounded by a whole new race of people, who seemed to be drawing hope from the very hopelessness of their situation. There were ruins, fires, scenes of disaster and loss, and everywhere a wild spirit of reconstruction. In the midst of this we did our tour. The troupe of people working on 'Paisan' traveled through an Italy they scarcely knew, because for 20 years we'd been in the grip of a regime which had literally blindfolded us."

The neorealist wave did not last long, although it profoundly influenced Fellini's ideas and way of working. Like most of the neorealist filmmakers, Fellini always preferred to improvise rather than to work from rigidly prepared scripts. "I must not know what I am going to do," he once said. With the victory of the Christian Democrats over the Popular Front in 1948, Andreotti reorganized the Italian movie industry on capitalist lines. By this time, audiences were getting tired of austerity and political crisis. They had enough realism in their daily lives, and they turned away from the neorealist films to comedies, musicals and light dramas.

In 1944, Italy was a conquered country as well as an ally, and was unable to oppose a flood of Hollywood movies, hundreds of which had accumulated during the war years. Unlike France, Italy never imposed a quota on U.S. movies, which quickly began to dominate its domestic market. Italy replied by making Hollywood-style movies, then later spaghetti westerns, Hercules epics and adventure films dubbed in English for an international market. Control of the business shifted out of the hands of directors into the hands of distributors, who preferred to take no risks. And with the rise of television — a medium Fellini hated — came the steady demise of movie houses, from about 7,500 at the start of the 1980s to less than half that number today. Throughout this rise and fall of the Italian industry, Fellini always managed to remain true to his own values. Guadagnino Guidi, once Italy's foremost casting director, summed up the magic in an interview in the 1970s.



Fellini went into the dictionaries as extravagant, larger than life.

"He is the best. He does things nobody else can do. Sometimes he misses, but he always conveys the magic. His mistakes are always intelligent ones. He has a special vision of the world and manages to get it on film. He is a director at once simple and baroque, and he has the courage to be his own man and make films his own way. You are not indifferent to a Fellini film: You either love it or hate it. You are not bored. At his best, he creates that special magic that only cinema can impart."

For inspiration, Fellini turned not to the reality of every-day life, but to his own imagination. He gave, according to the Spanish writer Antonio Muñoz Molina "the magical sensation of putting onto a cinema screen the exact form of a memory."

Fellini's films were filled with visions of phantasmagoric processions and parades, his fantasies as an adolescent growing up in Fascist-ruled Rimini — particularly in "Vitelloni" and the autobiographical "Amarcord" — and to his larger-than-life conception of a larger-than-life city, "Roma."

Sordi played in Fellini's first movie as solo director, "The White Sheik" — the zany tale of a provincial couple in Rome for their honeymoon, who become separated by the innocent bride's passion for another, but quite feigning man. Apart from the composer Nino Rota, whose witty music helped give Fellini's movies their incisive character, the director was much influenced by his friend and screen writer, Ennio Flaiano. After "Juliet of the Spirits," the last film on which Flaiano worked before his death, Fellini's style changed markedly. He increasingly emphasized visual impact over plot, and the screen became a vast moving tableau of sometimes grotesque impressions.

Fellini came to be seen as a figure from the past, albeit a great one. Although he received an Oscar this year for his career achievement, he failed to please the critics much during the last decade, and his most recent films were not big commercial hits. Fellini campaigned against the TV moguls who sliced up his movies and put advertising spots between the segments, while continuing to dream of Italy's illustrious past as a moviemaking nation. In one of his most singular works, "The Interview" (1987), he played himself dreaming about his magical years at Cinecittà, the once magnificent but now sadly diminished movie studios outside Rome — Hollywood on the Tiber, as it used to be called.

PEOPLE

Whoopi in Washington: Unrepentant and Un-PC

As she strode onto the stage to host the Ford Theatre's annual presidential gala in Washington, Whoopi Goldberg made it clear that she was not backing down. "I bet you're nervous, and I don't blame you, because you all know that I am truly politically incorrect," she said with a grin. "A gala to honor the president, and they call me 'Goldberg' has been under fire for defending her boyfriend, Ted Danson, who appeared in blackface and told racial jokes as the master of ceremonies at a Friars Club roast."

Madonna has gotten a PG rating from an Argentine judge, who turned down a request to bar the rock star from performing in the country but ruled that children under age 13 must be accompanied to the concerts by their parents. And in Rio de Janeiro, pop music fans weren't the only ones waiting for Madonna to get there. Religious groups planned protests against what they called Madonna's "sadomasochistic garbage."

Elton John has sued the Sunday Mirror, contending that the London tabloid inaccurately reported that he was on a diet that allowed him to chew food but not swallow it. John's lawyer, George Carman, said the paper had called the diet a form of bulimia, which the rock star had conquered along with his addictions to alcohol and drugs. "The most cruel blow of all has been pilloried and accused falsely of being a sham and a hypocrite," Carman said.

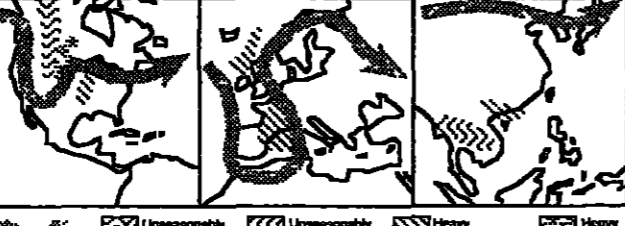
A Colombian film by Sergio Cabrera, "La estrategia del caudillo" (The Caudillo's Strategy), took the top prize at the International Film Week festival in Valladolid, Spain. Conrad Hall, who won an Oscar for his work on "Butch Cassidy and the Sundance Kid" and has been nominated for five others, will receive the 1994 Lifetime Achievement Award from the American Society of Cinematographers.

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WEATHER

Table with weather forecasts for Europe, including cities like London, Paris, and Rome, with columns for High, Low, and Wind.

Forecast for Wednesday through Friday, as provided by Accu-Weather.



North America: After recent cold in the Eastern United States early in the week, Wednesday through Friday will be milder. Rain will develop on the central Plains later this week with colder weather and snow possible on the high Plains from Nebraska to the Dakotas. Western Canada will turn much cooler. Middle East: High, Low, Wind forecasts for the region.

Asia

Table with weather forecasts for Asia, including cities like Bangkok, Hong Kong, and Tokyo.

Africa

Table with weather forecasts for Africa, including cities like Algiers, Cape Town, and Johannesburg.

Latin America

Table with weather forecasts for Latin America, including cities like Buenos Aires, Lima, and Mexico City.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to a puzzle from Nov. 1.

New York Times crossword puzzle grid with clues for Across and Down.

Large advertisement for AT&T Access Numbers. Text: "I wonder if the little guy had fun today?" Includes AT&T logo and list of international access numbers.

Vertical advertisement for Gorbachev, Foreign Lobby, and David and Goliath.

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